

Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019



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E-Book on Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019

August 2019

- **Commentary on Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019**
- **Analysis of benefits under the Scheme**
- **Analysis of all important aspects of various categories of declarants**
- **Possible scenarios and their eligibility under the scheme**
- **Includes detailed process and procedure of the Scheme**
- **Compilation of all Statutory Releases**

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E-Book on Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019

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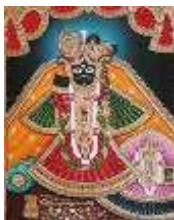
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**kāryaṃ me siddhimāyātu prasanne tvayi dhātari |
vighnāni nāsamāyāntu sarvāṇi suranāyaka ||**



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Contents

1.	Overview of the Scheme	1
1.1.	Scheme at a Glance.....	2
2.	Benefits and Relief under the Scheme	4
2.1.	Scheme has a deadline	4
2.2.	Restrictions on relief:.....	5
2.3.	Scheme covers all cases	6
2.4.	Separate declaration for each case	6
2.5.	Declaration is not an admission by either part	6
2.6.	Scheme is case specific and not person specific.....	7
2.7.	Relief from Tax Dues under the scheme:.....	7
2.8.	Amount to be paid under the scheme:.....	10
2.9.	Adjustment of amounts already deposited against tax payable	10
3.	Acts covered under the Scheme	13
4.	Different proceedings under the Indirect Tax enactments.....	15
5.	Eligible Persons who can opt.....	17
5.1.	Persons who wish to settle pending SCNs	17
5.2.	Persons who wish to declare against pending appeals	21
5.3.	Persons under Enquiry or investigation:	22
5.4.	Persons who wish to declare Amount in Arrears:	24
5.5.	Persons who wish to make Voluntary Disclosures:	27
6.	Process for Declaration	29
6.1.	Process for Declaration and Payment of Tax	29
6.2.	Payment only through Cash and no refund	31
6.3.	Restrictions once Discharged Certificate is issued:.....	31
7.	Frequently Asked Questions	33
8.	Procedure for Online Application	38
8.1.	Where to Start	39
8.2.	Create Login / Register	40
8.3.	Choosing the Declaration	43
8.4.	Submitting Eligibility	44
8.5.	Choosing category of declaration.....	45

8.6.	Value Decalarations	47
8.7.	Acceptance and Submissions.....	48
8.8.	Processing by Designated Committee	50
8.9.	Issuance of SLVDRS-2 in case of difference of tax payable	51
8.10.	Adjournment	52
8.11.	Determination of Amount payable by Committee in SVLDRS-3.....	53
8.12.	Payment of Tax Payable.....	54
8.13.	Discharge certificate.....	55
9.	Designated Committee	56
10.	Act, Rules, Circular etc.	59
10.1.	Sabka Vishwas (LDR) Scheme, 2019	59
10.2.	Sabka Vishwas (LDR) Scheme Rules,2019	70
10.3.	Circular No. 1071/4/2019-CX.8 dated 27th August, 2019	74
10.4.	Frequently Asked Questions	83
10.5.	CBIC Press Release, Dated 16-8-2019	95
10.6.	Forms under Sabka Vishwas (LDR) Scheme.....	97

1. Overview of the Scheme

Sabka Vishwas (Legacy dispute Resolution) Scheme, 2019 is a landmark effort by the government in resolving the legacy issues with its subjects which relate to the erstwhile laws – Excise and Service Tax alongwith many other allied cesses. The Scheme has offered a not to be denied relief to the assesses who are feeling pressed with the costs of litigations. Also, it looks forward to give a lot of respite to the courts from the pending matters in indirect taxes.

Hon'ble Finance Minister has introduced this scheme by the following words in her Budget Speech 2019:

“141. GST has just completed two years. An area that concerns me is that we have huge pending litigations from pre-GST regime. More than 3.75 lakh crore is blocked in litigations in service tax and excise. There is a need to unload this baggage and allow business to move on. I, therefore, propose, a Legacy Dispute Resolution Scheme that will allow quick closure of these litigations. I would urge the trade and business to avail this opportunity and be free from legacy litigations.”

The scheme has been introduced with two main objectives:

- One time measure for liquidation of past disputes of Central Excise and Service Tax
- To provide an opportunity of voluntary disclosure to non-compliant taxpayers.

As per Press release dated August 22, 2018, the two main components of the Scheme are dispute resolution and amnesty. The dispute resolution component is aimed at liquidating the legacy cases of Central Excise and Service Tax that are subsumed in GST and are pending in litigation at various forums. The amnesty component of the Scheme offers an opportunity to the taxpayers to pay the outstanding tax and be free of any other consequence under the law. The most attractive aspect of the Scheme is that it provides substantial relief in the tax dues for all categories of cases as well as full waiver of interest, fine, penalty, In all these cases, there would be no other liability of interest, fine or penalty. There is also a complete amnesty from prosecution.

The Scheme is operationalized from 1st September 2019 and would continue till 31st December 2019. Thus, it not only serves as a resolution provider to the litigants, it also provides a relief to the persons who wish to become compliant voluntarily (without any proceedings against them) but were reluctant to do so because of the burden of interest and / or penalty and also the fear of proceedings by the department. Thus, the trade and industry must opt to avail the benefit of this scheme to put an end to their old litigations and breathe a tension free air into the new era of GST.

1.1. Scheme at a Glance

- Scheme open between September 1, 2019 till December 31, 2019
- Types of disputes covered by Scheme:
 - Pending Litigations
 - Show Cause Notices
 - Appeals
 - Amount in Arrears
 - Admitted Liability in a return
 - Order in original or order in appeal against which no appeal has been filed
 - Order in original or order in appeal whose time for filing appeal has lapsed
 - An enquiry, investigation or audit which has been quantified as on 30.06.2019
 - Voluntary Disclosure
- Relief under the scheme
 - SCN or Appeal – 70%/ 50% of tax dues
 - Amount in Arrear – 60% / 40% of tax dues
 - Enquiry / Investigation - 70%/ 50% of tax dues
 - Voluntary disclosure – No relief in tax dues
 - Apart from tax dues interest and penalty and from prosecution proceedings is available to the declarant.
- Allowed adjustments
 - Any amount paid as pre deposit at any stage of the proceedings shall be available as adjustment and only balance left after such adjustment is payable in cash.
 - If such predeposit is greater than payable, no refund is available to the declarant
- Restrictions of the Scheme
 - Tax payable shall not be paid through Input tax / Cenvat credit
 - Such paid tax is not to be taken as input tax credit
 - Such paid tax is not refundable
- Ineligible persons / cases

- Declaration relating to goods from Fourth schedule to the Central Excise Act, 1944.
- Applications in settlement commission
- Voluntary disclosure by a person against whom an investigation, enquiry or audit has been initiated
- Appeals before any appellate forum which has been heard finally on or before 30.06.2019
- A person who has been convicted for any matter for which he intends to file a declaration
- Pending SCN whose hearing has been concluded before 30.06.2019
- SCN for any erroneous refund
- After issuance of Discharge certificate:
 - No further liability of tax, interest, penalty or prosecution in respect of matter and amount thereof declared
 - Such matter cannot be opened in any other proceedings under the indirect tax enactment
 - One year limit for initiation of proceedings in respect of matter declared in case of false declaration under voluntary disclosure
- No protection from:
 - Proceedings under indirect tax enactment on any other matter
 - Proceedings on same matter in subsequent year.
 - in a case of voluntary disclosure where any material particular furnished in the declaration is subsequently found to be false, within a period of one year of issue of the discharge certificate, it shall be presumed as if the declaration was never made and proceedings under the applicable indirect tax enactment shall be instituted.
- If a person fails to pay the amount within given period – declaration shall be treated as lapsed.

2. Benefits and Relief under the Scheme

Sabka Vishwas (Legacy dispute Resolution) Scheme, 2019 aims at faster resolution of all the pending litigation which are carried forward from the pre-GST regime and pending right up to the Supreme Court. Scheme provides following benefits to the person covered in scheme:

- Relief for tax dues up to 70% in specified scenarios. This is called Tax relief under the scheme. This will be dependent upon category in which applicant falls and quantum of Tax dues.
- Complete waiver of interest and penalty.
- Waiver from prosecution
- Conclusion of proceedings covered under the scheme for the relevant period for the issues applied and accepted in scheme.
- Benefit of pre deposit made to calculate amount payable under the scheme.
- All proceedings pending below the level of High Court (HC) i.e. up to CESTAT are deemed to be withdrawn once payment is made in the scheme. In case any matter is pending before HC or SC applicant needs to withdraw the application and submit proof of such withdrawal to designated committee.

2.1. Scheme has a deadline

Scheme is only available till 31.12.2019. In no circumstances, the time limit for opting the scheme can be extended for whatsoever reasons. The reasons can also be one which are beyond the control of the assessee but no exemption to such cases has been provided in the law. One should refer to the decision in the case of Manpreet Engineering & Const. Co. (Engineers & Constructor) [[2016] 71 taxmann.com 83 (Jharkhand)], wherein in relation to plea for relaxation of payment date under VCES scheme of department, Hon'ble Court denied further benefits under the scheme observing as under:

- (a) *The VCES, 2013 is already a liberal scheme floated for those declarants, who have committed breach of the taxing statute, especially in payment of Service Tax. Thus, the scheme itself is a liberal approach of the Union of India to encourage voluntary declaration.*

- (b) *Looking to the clauses of the VCES, 2013, especially, 107 thereof, the payment of the service tax liability is divided into two instalments. First instalment is of minimum 50% to be paid on or before 31st December, 2013, whereas the remaining amount of the service tax liability is to be discharged by the assessee-declarant on or before 30th June, 2014. This is the second liberal approach in the scheme floated by the Union of India*
- (c) *In the second instalment also, which was to be paid on or before 30th June, 2014, if any declarant has got any difficulty he can make the payment on or before 31st December, 2014, but, in this eventuality the payment shall be made with interest. This is the another liberal approach of the Union of India as provided under the VCES, 2013.*
- (d) *The scheme is nothing but a policy decision of Union of India and this court will be extremely slow and careful in making further liberal interpretation of the VCES, 2013, because this court is not sitting in appeal against the said scheme nor this court can replace an existing scheme with a better one. The clauses of VCES, 2013 cannot be changed by this court. If Section 107(3) directs the declarant to make the payment of at least 50% of the service tax so declared under sub-section 1 of Section 107, to be paid on or before December, 2013, court cannot give further instalment in the first instalment to the effect that part of the payment can be made on or before 31st December, 2013 and the remaining amount can be paid later on. This is not permissible while exercising powers under Article 226 of the Constitution of India.*

2.2. Restrictions on relief:

However, all above benefits will be available for issue and period for which application has been filed and discharged certificate issued. Thus, the issue of the discharge certificate with respect to a matter for a time period shall not preclude the issue of a show cause notice,—

- for the same matter for a subsequent time period; or
- for a different matter for the same time period;
- in a case of voluntary disclosure where any material particular furnished in the declaration is subsequently found to be false, within a period of one year of issue of the discharge certificate, it shall be

presumed as if the declaration was never made and proceedings under the applicable indirect tax enactment shall be instituted.

For example, application has been made for SCN for period 2016-17 and same has been accepted by designated committee by issuing discharge certificate in FORM SVLRS-4. Department can issue SCN or initiate other proceedings for:

- periods other than 2016-17.
- for period 2016-17 for issues not covered in SCN for which scheme has been opted

In case of voluntary disclosure, It will be presumed that application has been never made under this scheme, in case information furnished is found to be false with in one year of issue of discharge certificate and consequently proceeding can be initiated against the applicant including issuance of SCN under the provisions of applicable indirect tax laws.

2.3. Scheme covers all cases

It has been provided vide Circular No. 1071/4/2019 CX 8, that ambit of this Scheme is wide enough to cover all kinds of pending disputes, including call book cases. Thus, even if a matter is under call book, a person can still opt for the scheme and shall not be required to wait for the judgement of higher forum. For eg., matter relating to renting which are pending before Hon'ble Supreme Court can opt for such scheme and withdraw themselves from litigation.

2.4. Separate declaration for each case

Every matter shall require a separate declaration. Thus, if a person has four cases outstanding against him, he shall make four declarations.

2.5. Declaration is not an admission by either part

Section 129(2)(a) provides that no person being a party in appeal, application, revision or reference shall contend that by issuing a discharge certificate, Department has accepted the disputed position. Section 129(2)(b) further provides that issue of a discharge certificate does not prevent issuance of a show cause notice for the same matter for a subsequent period or for a different matter in the same period. It is clarified that similar position will apply in case of Department also. In other words, a declaration under this Scheme will not be a basis for

assuming that the declarant has admitted the position, and no fresh show cause notice will be issued merely on that basis.

2.6. Scheme is case specific and not person specific

It is important to note that the scheme speaks about case wise declaration and does not debar a person in total. Thus, even if a person has been issued a SCN for erroneous refund, he can still opt for scheme for other SCNs. Similarly, if a person is before settlement commission for a matter, he can still opt for this scheme for his other cases. The understanding has been provided vide Circular No. 1071/ 4/2019 – CX 8 dated 27.8.2019. The clarification reads as under:

“Section 125(1)(d) mentions that the Scheme is not available to an applicant who has been issued a show cause notice relating to refund or erroneous refund. It has potential to lead to an interpretation that such persons will not be able to opt for the Scheme for any other dispute as well, since the restriction is on the person' in place of the case'. It is clarified that the exception from eligibility is for the cases and not the person'. In other words, if a person has been issued a show cause notice for a refund/erroneous refund and, at the same time, he also has other outstanding disputes which are covered under this Scheme, then, he will be eligible to file a declaration(s) for the other case(s). Same position will apply to persons covered under Sections 125(1)(a), (b), (c), (e) and (g).”

2.7. Relief from Tax Dues under the scheme:

S. No.	Description	Quantum of Tax Relief as	
		Cases where tax dues are Rs. 50 Lakhs or Less	Cases where tax dues are more than Rs. 50 Lakhs
1.	SCN issued and case is pending for hearing as on 30th June 2019	70% of Tax dues	50% of Tax dues
2.	Appeal is filed and case is pending for hearing as on 30th June 2019	70% of Tax dues	50% of Tax dues
3.	Enquiry/investigation/audit conducted with tax demand	70% of Tax dues	50% of Tax dues

	quantified up to 30th June, 2019		
4.	Tax dues are related to 'amount in arrears	60% of Tax dues	40% of Tax dues
5.	Tax dues are on account of voluntary disclosure	NIL	NIL
6.	SCN issued for late fee or penalty only, and the amount of duty in the said notice has been paid or is nil	NIL as no amount of tax dues involved	NIL as no amount of tax dues involved

Note:

In all above cases, interest and penalty or prosecution shall also be waived in addition to the tax relief of tax dues given above.

Tax dues shall cover all matters relating to output tax, reverse charge or Cenvat credit disputes. The term Tax dues has been defined as under:

S.no.	Situations/Cases	Meaning
a.	Single appeal	Total disputed amount
b.	Where more than one appeal arising out of one order	Sum of the amount of duty which is being disputed by both parts
c.	Pending Show Cause Notice	Amount of duty stated in the said notice
d.	Enquiry / Investigation / Audit	Amount quantified on or before the 30th day of June, 2019
e.	Amount in arrears declared	Amount in Arrears
f.	Voluntary Disclosure	Amount declared

The above understanding is explained by way of the following examples:

S.No	Appeal	Show Cause Notice	Amount as per Order in Original/ Disputed amount	Tax Dues if appeal filed
1.	Single Appeal	Duty Rs 1500 Penalty Rs 200	Duty Rs 1500 Penalty Rs 200	Rs 1500 only

2.	Single Appeal	Duty Rs 5000 Penalty Rs 300	Duty Rs 3000 Penalty Rs 100	Rs 3000 only
3.	Appeal by Declarant	Duty Rs 1500 Penalty Rs 200	Duty Rs 1500 Penalty Rs 200	Rs 2000 only
	Appeal by Department	Duty Rs 1500 Penalty Rs 200	Duty Rs 500 Penalty Rs 50	

Illustrations:

- (i) If the amount of duty (including CENVAT credit) being litigated is Rs.50 lakhs, then the taxpayer only needs to pay only Rs.15 lakhs to settle his case.
- (ii) If the amount of duty(including CENVAT credit) being litigated is Rs. 1 crore, then the taxpayer only needs to pay only Rs. 50 lakhs to settle his case.
- (iii) If the amount of duty being litigated is either because the show cause notice was only for penalty or because the duty was deposited at any subsequent stage, and only penalty is being contested, then the taxpayer does not need to deposit anything to settle his case. However, the taxpayer would have to make a declaration under this Scheme.
- (iv) If the duty (including CENVAT credit) involved during investigation or audit is Rs. 50 lakhs, then the taxpayer only needs to pay Rs.15 lakhs to settle his case.
- (v) If the amount in arrears is Rs.50 lakhs, then the taxpayer only needs to pay only Rs. 20 lakhs to settle his case.
- (vi) If the taxpayer makes a voluntary disclosure of Rs. 1 crore, then he will need to pay Rs. 1 crore to settle his case.

Amount in Arrear:

Amount in arrear means the amount of duty which is recoverable as arrears of duty under the indirect tax enactment, on account of—

- (i) no appeal having been filed by the declarant against an order or an order in appeal before expiry of the period of time for filing appeal; or
- (ii) an order in appeal relating to the declarant attaining finality; or

- (iii) the declarant having filed a return under the indirect tax enactment on or before the 30th day of June, 2019, wherein he has admitted a tax liability but not paid it;

2.8. Amount to be paid under the scheme:

Following formula can be used to calculate the amount payable under this scheme:

Amount Payable = Tax Dues <i>minus</i> Tax Relief <i>minus</i> Pre deposit Amount
--

Amount may have been pre deposited by the taxpayer on account of various reasons. Such reason may be:

- precondition to file appeal
- per force under protest
- To save interest
- Direction of Court

Any amount paid as pre-deposit at any stage of appellate proceedings or as a deposit at the time of enquiry, audit or investigation is allowed to be adjusted with the amount to be paid under this scheme. Further circular issued has clarified that if such amount is paid by utilizing the input tax credit, then, such tax paid through input tax credit shall also be adjusted by the Designated Committee while determining the final amount payable under the Scheme. In some case predeposit may be more than 100% of tax dues reduced by tax relief than amount payable under the scheme will be zero however the difference (Excess of deposit over Tax dues reduced by Tax Relief) shall not be refunded.

2.9. Adjustment of amounts already deposited against tax payable

Any amount paid earlier against demand for which scheme is opted by a taxpayer shall be adjusted against the tax payable and only balance has to be paid by such person. This Scheme provides for adjustment of any amount paid as pre-deposit during appellate proceedings or as deposit during enquiry, investigation or audit [Sections 124(2) and 130(2) refer]. In certain matters,

Pre deposit even when made from Cenvat credit is adjustable

It has been clarified vide Circular No. 1071/4/2019 CX 8, that tax may have been paid by utilising the input credit, and the matter is under

dispute. In such cases, the tax already paid through input credit shall be adjusted by the Designated Committee at the time of determination of the final amount payable under the Scheme.

It is important to note that a person might have paid the tax earlier under a wrong code, such procedural issues should not hinder the adjustment under the scheme. The assessee should be clearly able to exhibit that such deposited amount was against the issue under consideration and its adjustment has not been taken by him in any manner earlier. The scheme talks about adjustment of pre deposit, however, in the views of the authors, any amount even when not declared as pre deposit but which relates to the issue should be allowed as deduction from the tax payable to the taxpayer. Hon'ble Supreme Court has observed in numerous decisions, including *Ramlal v. Rewa Coalfields Ltd.*, AIR 1962 SC 361; *The State of West Bengal v. The Administrator, Howrah Municipality*, AIR 1972 SC 749, and *Babutmal Raichand Oswal v. Laxmibai R. Tarte*, AIR 1975 SC 1297, that the State authorities should not raise technical pleas if the citizens have a lawful right and the lawful right is being denied to them merely on technical grounds. The State authorities cannot adopt the attitude which private litigants might adopt.

Can I opt for scheme even when I have deposited amount after scheme was announced

It may be a scenario when a person not ignorant of the scheme may pay some part of demanded tax and would like to contest on others and such payment was made post 30.06.2019. In such cases, benefit should be given in the view of the authors to such persons considering all of his demand and deposits. Reliance can also be placed on the decision of *ASK Me Enterprise v UOI* [[2015] 63 taxmann.com 266 (Gujarat)], wherein Hon'ble Court has held as under:

“18. In the present case, it was after the introduction of the Scheme, that the petitioner in ignorance of the Scheme paid the amount payable towards service tax, penalty and interest in relation to four revenue paras. At that point of time, the respondent authorities did not draw the attention of the petitioner to the fact that it could avail of the benefit of the Scheme. However, well within the time-limit prescribed under the Scheme, the petitioner in due compliance with the provisions of the section 107 of the Act, submitted a declaration under sub-section (1) thereof and paid more than fifty per cent of the tax dues before 31st December, 2013 as required under sub-

section (3) thereof and in order to comply with the provisions of sub-section (4), viz. payment of the remaining amount, requested for adjustment of an amount of Rs. 6,36,103/- paid under the wrong accounting code of interest and penalty to the correct code of service tax, which request was duly acceded to by the respondent authorities and such correction was made before 30th May, 2014. Under the circumstances, when the entire amount as contemplated under the Scheme stood paid before the due date and the petitioner satisfied all other requirements under the Scheme, the respondents are not justified in denying the benefit of the Scheme to the petitioner only on the ground that the amount of Rs. 6,36,103/- had initially been paid towards the interest and penalty. The impugned communication/order which seeks to deny the benefit of the Scheme to the petitioner under such hyper-technical plea, therefore, cannot be sustained.”

3. Acts covered under the Scheme

The Applicant can make declaration against the demands of the following acts:

- (a) the Central Excise Act, 1944 or the Central Excise Tariff Act, 1985 or Chapter V of the Finance Act, 1944 and the rules made there under:
- (b) the following Acts, namely:-
 - (i) the Agricultural Produce Cess Act, 1940;
 - (ii) the Coffee Act, 1942;
 - (iii) the Mica Mines Labour Welfare Fund Act, 1946;
 - (iv) the Rubber Act, 1947;
 - (v) the Salt Cess Act, 1953;
 - (vi) the Medicinal and Toilet Preparations (Excise Duties) Act, 1955;
 - (vii) the Additional Duties of Excise (Goods of Special Importance) Act, 1957;
 - (viii) the Mineral Products (Additional Duties of Excise and Customs) Act, 1958;
 - (ix) the Sugar (Special Excise Duty) Act, 1959;
 - (x) the Textiles Committee Act, 1963;
 - (xi) the Produce Cess Act, 1966;
 - (xii) the Limestone and Dolomite Mines Labour Welfare Fund Act, 1972;
 - (xiii) the Coal Mines (Conservation and Development) Act, 1974;
 - (xiv) the Oil Industry (Development) Act, 1974;
 - (xv) the Tobacco Cess Act, 1975;
 - (xvi) the Iron Ore Mines, Manganese Ore Mines and Chromite Ore Mines Labour Welfare Cess Act, 1976;
 - (xvii) the Bidi Workers Welfare Cess Act, 1976;
 - (xviii) the Additional Duties of Excise (Textiles and Textile articles) Act, 1978;
 - (xix) the Sugar Cess Act, 1982;
 - (xx) the Jute Manufacturers Cess Act, 1983;
 - (xxi) the Agricultural Processed Food Products Exports Cess Act, 1985;
 - (xxii) the Spices Cess Act, 1986;
 - (xxiii) the Finance Act, 2004;
 - (xxiv) the Finance Act, 2007;
 - (xxv) the Finance Act, 2015;
 - (xxvi) the Finance Act, 2016;
- (c) any other Act, as the Central Government may, by notification in the Official Gazette, specify.

For reference:

- Finance Act, 2004 - Education Cess
- Finance Act, 2007 - Secondary and Higher Education Cess
- Finance Act, 2015 - Swachh Bharat Cess
- Finance Act, 2016 – Krishi Kalyan Cess

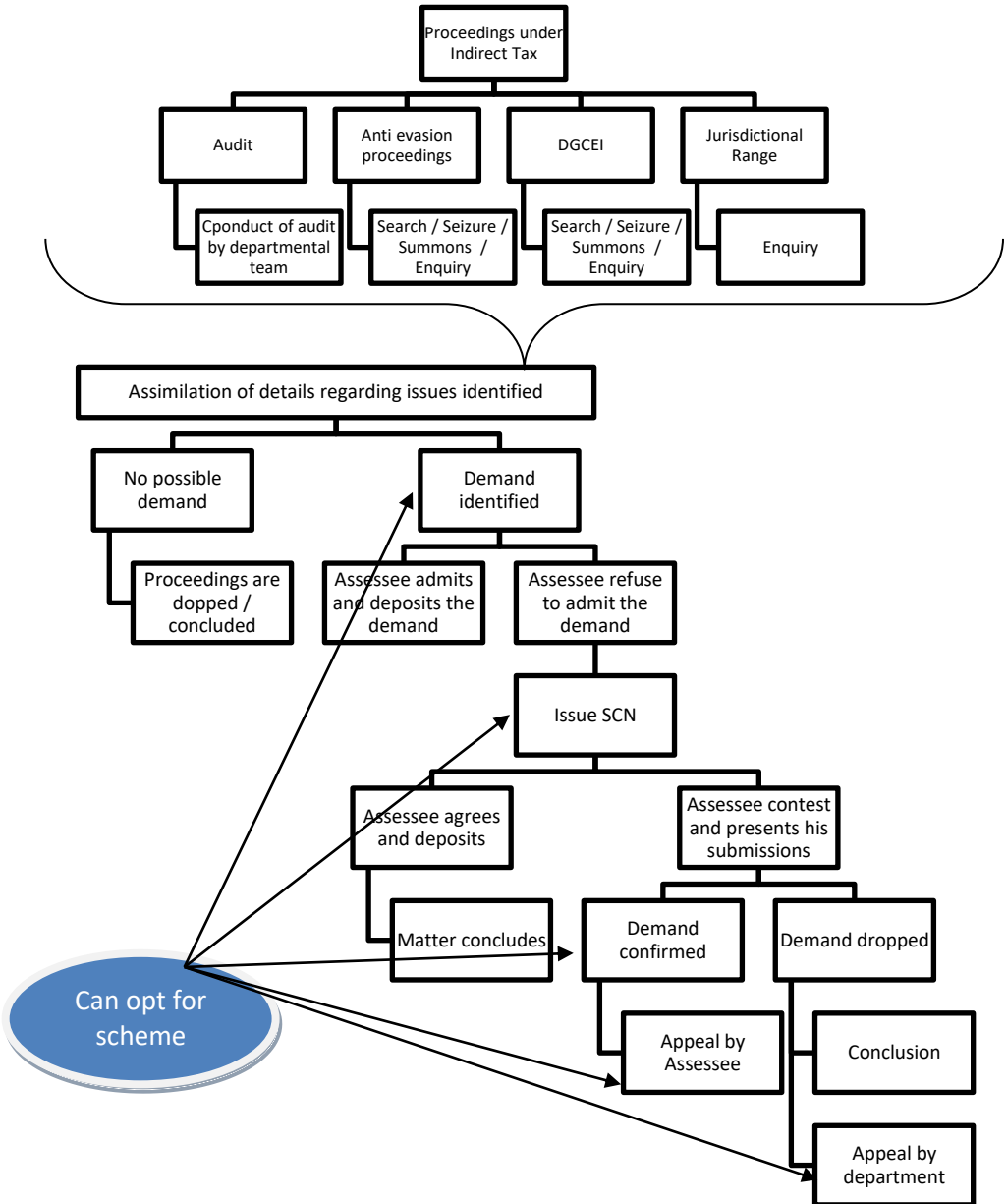
Acts not covered under the scheme:

Though all other indirect tax enactments are not covered under the scheme, we thought some of the important ones are to be highlighted:

- Central or State or Integrated Goods and Services Tax Acts
- State VAT Acts / Sales Tax Acts
- Entertainment Tax Acts
- Octroi or entry tax Acts
- Customs Act
- Customs Tariff Act

4. Different proceedings under the Indirect Tax enactments

Various proceedings and their stages under the erstwhile enactment are as depicted in a tabular manner hereunder:



Appeals further travel from Commissioner (Appeal) to Tribunal and then to High court and finally to Supreme Court. Thus, a lot of matters from erstwhile regime are lying pending at various levels viz., enquiry / audit / investigations / appeals and all such matters which are pending at different levels shall be eligible for benefit under the scheme barring few exceptions.

We shall now examine the cases and the persons who can opt for declaration under the scheme.

5. Eligible Persons who can opt

The scheme speaks about the persons who can be the applicants. We have broadly divided the applicants under the following categories:

- A show cause notice or appeals arising out of a show cause notice pending as on the 30th day of June, 2019
- An amount in arrears
- An enquiry, investigation or audit where the amount is quantified on or before the 30th day of June, 2019
- A voluntary disclosure except:
 - after being subjected to any enquiry or investigation or audit; or
 - having filed a return under the indirect tax enactment, wherein he has indicated an amount of duty as payable, but has not paid it;

The scheme has excluded the following persons from its purview:

- Cases in respect of excisable goods set forth in the Fourth Schedule to the Central Excise Act, 1944 (this includes tobacco and specified petroleum products)
- Cases for which the taxpayer has been convicted under the Central Excise Act, 1944 or the Finance Act, 1944
- Cases involving erroneous refunds
- Cases pending before the Settlement Commission
- Person wanting to make voluntary disclosure against whom enquiry / investigation / audit has been initiated
- Appeals / SCNs whose final hearing has been completed before 30.06.2019 and orders are pending

We shall now discuss the above persons in detail in the following paragraphs:

5.1. Persons who wish to settle pending SCNs

Show Cause Notice ("SCN") is an indispensable part of every recovery proceeding. Before a demand can be fastened on an assessee by way of an order, an opportunity should be given to the person so accused of a demand and such opportunity is given by way of a SCN. Thus, SCN alleges a demand by giving all reasons and supportings to an assessee and requires him as to basis the findings as captured in the SCN, why a

demand should not be adjudicated against him. Usually, assessee despite their unwillingness are required to contest the matter because the assessee finds the demand too high to pay when it is coupled with interest and penalty. The scheme serves as a respite to all such pending matters and even offers assessee who are in dilemma as to whether their case will sustain or not as it offers a relief in the basic demand amount as well.

Taxpayers whose SCN proceedings are pending as on 30.06.2019 should opt for this scheme if:

- They are contesting merely to save interest and penalty and their demand is payable as per them also.
- They are contesting as they find some merit in their matter and likelihood of winning is less than 50%.
- They are contesting matter because of other penalties and fear of prosecution.

What is a pending SCN

As per the scheme a pending SCN is one against which no order has been passed by the Adjudicating authority as on 30.06.2019 and also, hearing in such matter should also not have been concluded as on 30.06.2019.

Declaration for entire SCN only can be made

The scheme allows the person to opt only when he declares the entire amount of SCN and not some of the matters therein. Rule 3(2) of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019 provides that a separate declaration shall be filed for each case. Many a times a show cause notice covers multiple matters concerning duty liability. A person cannot opt to avail benefit of the Scheme in respect of selected matters. He must file a declaration in respect of all the matters concerning duty/tax liability covered under the SCN. It is clarified vide Circular No. 1071/4/2019 CX 8, that a declarant cannot opt to avail benefit of scheme in respect of selected matters. In other words, the declarant has to file a declaration for all the matters concerning duty liability covered under the show cause notice. Thus, if a person wants to contest on any or all matters under a SCN, he cannot opt for the scheme for any part of the SCN. For eg., Mr. X has been issued a SCN for Rs. 60 Lakhs out of which Rs. 35 Lakhs is for short payment of output tax and

Rs. 25 Lakhs if for wrongly availed Cenvat Credit. Mr X cannot opt for the Scheme for only output tax. Even he has a strong case on merit on the other part, he shall opt for the SCN as a whole and shall declare Rs. 60 Lakhs as his Tax dues.

Adoption of scheme by Co-noticees:

Section 124(1) (b) provides that where the tax dues are relatable to a show cause notice for late fee or penalty only. and the amount of duty in the said notice has been paid or is 'nil', then, the entire amount of late fee or penalty will be waived. This section, inter alia, covers cases of penal action against co-noticees. In case of a show cause notice demanding duty/tax from main taxpayer and proposing penal action against co-noticees, it is clarified that the co-noticees can't avail the benefits of the scheme till such time the duty demand is not settled. Once, the main-noticee discharges the duty demand, the co-noticees can apply under this Scheme. This will also cover cases where the main noticee has settled the matter before the Settlement Commission and paid the dues and in which co-noticees were not a party to the proceedings before the Settlement Commission.

Relief under the scheme

Such a person who is under the SCN proceeding shall get the relief in respect of his tax dues. For such person, tax dues has been defined under Section 123 as under:

“(b) where a show cause notice under any of the indirect tax enactment has been received by the declarant on or before the 30th day of June, 2019, then, the amount of duty stated to be payable by the declarant in the said notice:

Provided that if the said notice has been issued to the declarant and other persons making them jointly and severally liable for an amount, then, the amount indicated in the said notice as jointly and severally payable shall be taken to be the amount of duty payable by the declarant;”

Thus, the entire amount (other than interest and stated penalties) as provided in the SCN shall be taken as tax dues. If a person opts for the scheme, he shall get the following benefits under the scheme:

- rupees fifty lakhs or less, then, seventy per cent. of the tax dues;
- more than rupees fifty lakhs, then, fifty per cent. of the tax dues;

Thus, the category of persons who can opt for this scheme are as under:

S.No.	Particulars	Is eligible?
1.	Person who has received SCN after 30.06.2019	No
2.	Person who has received SCN on or before 30.06.2019 and no hearing has been initiated against the SCN	Yes
3.	Person who has received SCN on or before 30.06.2019 and hearing has been initiated against the SCN but not concluded	Yes
4.	Person who has received SCN on or before 30.06.2019 and hearing has been initiated against the SCN and concluded	No
5.	Person whose primary SCN is adjudicated and wishes to opt the scheme for subsequent SCN	Yes

Thus, in following cases, the relief shall be as under:

S.No.	Particulars	Tax Relief (Rs.)	Tax Payable (Rs.)
1.	SCN for non payment of tax on output for Rs. 30 Lakhs	21 Lakhs + interest and penalty	9 Lakhs
2.	SCN for reverse charge Rs. 10 Lakhs	7 Lakhs + interest and penalty	3 Lakhs
3.	SCN for erroneous refund of Rs. 25 Lakhs	Cannot opt	Cannot opt
4.	Demand under single SCN for non payment of tax of Rs. 40 Lakhs and reverse charge of Rs. 20 Lakhs	30 Lakhs + interest and penalty	30 Lakhs
5.	Demand of Rs. 30 Lakhs for non payment of tax on output and another SCN on same issue for subsequent period for Rs. 40 Lakhs	Two SCNs, distinct benefits – Rs. 21 Lakhs and Rs. 28 Lakhs plus interest and penalty	Two SCNs, distinct payables – Rs. 9 Lakhs and Rs. 12 Lakhs

5.2. Persons who wish to declare against pending appeals

A lot of indirect tax matters are under litigation at different appellate forums, viz:

- Commissioner Appeals
- Tribunal
- High court
- Supreme Court

The present scheme covers all such matters also within its ambit, and a person whose appeal (whether appealed by decalrant or department) can opt for the scheme. However, in case of appeals, the applicant is ineligible to apply if the final hearing is concluded but the order is awaited as on 30.06 2019. The hearings in matters are typically rescheduled even after the final hearing due to new bench, change in officer or any other reason. It is clarified that this restriction will apply to only those cases, where the appellate forum has heard the matter finally as on 30.06.2019.

Matters before J.S. Revenue and Settlement Commisison excluded

It is evident that matters relating to refunds are not covered under the present scheme and thus, matter pending before J.S. Revenue in case of refunds shall not lie within the ambit of this Scheme. Similarly, Section 125(g) excludes the cases where an application has been filed before the Settlement Commission for settlement. However, in many such cases, proceedings before the Commission may abate due to reasons such as rejection of the application by the Commission or due to order of the Commission not being passed within the prescribed time etc. It is clarified that all such cases which are outside the purview of the Settlement Commission shall be covered under the Scheme under the relevant category of adjudication or appeal or arrears as the case may be provided the eligibility is otherwise established under this Scheme. Further, any pending appeals, reference or writ petition filed against or any arrears emerging out of the orders of Settlement Commission are also eligible under the Scheme.

Relief from late fee and penalty in case of appeals also

It has been clarified vide Circular No. 1071/4/2019 CX8, that the provisions of relief from late fee and penaly apply to any show cause notice for penalty/late fee, irrespective of the fact that it is under adjudication or appeal. Moreover, there can be a show cause notice that

originally also involved a duty demand, and the amount of duty in the said notice became 'nil' whether on account of the fact that same has been paid under this Scheme or otherwise. Such cases are also covered under Section 124(1)(b). Thus, in case of appeals where basic demand is declared, the declarant is relieved from late fee and penalty.

5.3. Persons under Enquiry or investigation:

The benefit of the scheme is available for any enquiry, investigation or audit whose amount has been quantified on or before 30.06.2019. The requisites thus for such person are:

- There should be an enquiry, investigation or audit pending against him
- The amount of proceedings has been quantified upto 30.06.2019

We shall not examine all the important terms hereunder:

Enquiry or investigation

The term is defined under Section 121 of the Chapter V of Finance Act, 2019 to mean —

“enquiry or investigation”, under any of the indirect tax enactment, shall include the following actions, namely:—

- (i) *search of premises;*
- (ii) *issuance of summons;*
- (iii) *requiring the production of accounts, documents or other evidence;*
- (iv) *recording of statements;*

Thus, a person who has been issued a notice for provision of any document or information or for recording statement or any search has been conducted against him cannot opt for the present scheme.

Mere intimation is not initiation of proceedings

A letter from a range or any other authority intimating him of any fact including his requirement to register or pay taxes is not initiation of an enquiry. Initiation of an enquiry or investigation requires a specific letter from the competent authority requiring production of person or information under a specific matter [Refer decision of Hon'ble Madras High Court in *Ovieya Builders* [2015] 53 taxmann.com 26 (Madras)]. Similarly, in views

of the author, initiation of an enquiry by a person who does not have jurisdiction should not be considered as an effective enquiry or investigation. For eg. Intimation for audit under Service Tax by range officers.

Audit

The term has been defined in Section 121 as under:

- (g) *“audit” means any scrutiny, verification and checks carried out under the indirect tax enactment, other than an enquiry or investigation, and will commence when a written intimation from the central excise officer regarding conducting of audit is received;*

Thus, the term has been defined to mean any enquiry for scrutiny, verification and checks by any authority and thus, such cases are wide enough to cover any proceedings from range, audit wing, or even any higher authorities.

Quantified

The term quantified has been defined as under:

- (r) *“quantified”, with its cognate expression, means a written communication of the amount of duty payable under the indirect tax enactment;*

Section 2(r) defines "quantified" as a written communication of the amount of duty payable under the indirect tax enactment. It is clarified that such written communication will include a letter intimating duty demand; or duty liability admitted by the person during enquiry, investigation or audit; or audit report etc. Thus, even where a party has come forward and accepted a liability on verbal communication of the departmental team and has submitted his letter to this effect, such person cannot opt for this benefit as the communication is from him and not department. Similarly, any oral communication from department shall also not be eligible for this scheme.

Enquiry etc. initiated after 30.06.2019 also makes a person ineligible

There may be a case where an enquiry, audit or investigation initiated after 30.06.2019. However, the person wants to make a declaration

voluntarily. The scheme bars such person also from making declaration thereunder.

Person against whom GST enquiry is pending can opt

A person against whom an enquiry is made under GST act can opt for the scheme as GST statutes are not covered under the defined indirect tax enactments. In view of author, a specific notice for initiation of enquiry under the indirect tax enactments should be there to debar the person from making such declaration.

A company and his director or partnership and its partners shall be different persons for the purpose of the scheme

A person can still opt for the scheme for his individual capacity (proprietorship) even if any company in which he is a director or a firm in which he is a partner is under a proceeding which have not attained finality. The proceeding should be pending against the specific person and only he cannot opt for the scheme. In the case of Meekin Transmission Ltd. v. State of Uttar Pradesh 2008 taxmann.com 1719 (Allahabad), it was held that company has a separate legal entity than that of its directors. Further, in the case of Bentex Industries v. Commissioner Of Central Excise, New Delhi 2008 taxmann.com 615 (CEGAT-New Delhi), M.D. of the private limited company is a proprietor of another concern and both the units are separate legal entities and one is not dummy of another.

Demand arising from an enquiry of another person shall not make the a person ineligible under the scheme.

Suppose a demand is found against a person and such demand arises out of proceedings of another person which are still pending, then since the proceedings are not against the person making the declaration, he would not be barred from opting this scheme unless specific letter of enquiry or any other proceedings is made against him.

5.4. Persons who wish to declare Amount in Arrears:

The benefit of the scheme is available to “amount in arrears”. The term is defined under Section 121(c) of the Chapter V of Finance Act, 2019 to mean an amount which is recoverable as arrears of duty under the indirect tax enactment, on account of—

- (i) no appeal having been filed by the declarant against an order or an order in appeal before expiry of the period of time for filing appeal; or
- (ii) an order in appeal relating to the declarant attaining finality; or
- (iii) the declarant having filed a return under the indirect tax enactment on or before the 30th day of June 2019, wherein he has admitted a tax liability but not paid it.

This seems to cover cases where the taxpayer has no remedy available to further litigate the matter. There seems to be no time-limit of 30th June specified for “amount in arrears” for first two category in amount of arrears as opposite to other category of applicants viz litigation and Investigation. There may be certain situation which will not fall in other categories because of cut off date of 30 June 2019 but may be covered in this category. Let’s try to understand with following examples:

Person who has declared liability in his return is covered here

Section 125(1)(f)(ii) is an exception to voluntary disclosure category. In other words, a person having filed a return but has not deposited the duty/tax cannot make a voluntary disclosure in respect of the same since the liability already stands disclosed to the Department. On the other hand, section 124(1)(c)(iii) is a sub-set of the ‘arrears’ category, meaning thereby that in respect of such return a declaration can only be filed under the arrears category. As such, there is no contradiction between the two provisions. However, it is important to note that such return should have been filed upto 30.06.2019. Thus, if a person files a return for past period showing such liability post 30.06.2019, he cannot opt for such scheme.

Case Study 1:

Amla Pvt Ltd got SCN on 20th Dec 2017 (before 30.6.2019) and same has been finally heard on 15 April 2019 (on or before 30 June 2019). Now there can be following possibilities in this situation:

S.No.	Situation	Whether can be called as amount in Arrears
1.	Order Passed on 25 th May 2019 (On or before 30 June 2019) and no appeal filed with in time available to file appeal.	Yes

2.	Order Passed on 25 th May 2019 (On or before 30 June 2019) appeal filed on 1 st June 2019 (On or before 30 June 2019). Appeal is pending as on 30 June 2019.	No (can be declared under Litigation category)
3.	Order Passed on 25 th May 2019 (On or before 30 June 2019) appeal filed on 20 th July 2019 (After 30 June 2019).	Not eligible

Case Study 2:

Amla Pvt Ltd got SCN on 20th Dec 2017 (before 30.6.2019) and same has not finally been finally heard on or before 30 June 2019. This situation will not fall in this category as same will be covered in litigation category for SCN pending as on 30 June 2019.

Case Study 3:

Shimla Ice Pvt Ltd ("SIPL") received order on 25 Jan 2019 (against SCN issued in Nov 2017). Appeal was filed to Comm(A) on 15 Feb 2019. Now there can be following possibilities:

S.No.	Situation	Whether can be called Amount in Arrears
1.	Comm (A) passed order & received by SIPL on 25 th May 2019 (On or before 30 June 2019) and no appeal filed with CESTAT in time available to file appeal	Yes
2.	No hearing happened before Comm(A) on or before 30 June 2019.	No (but can be considered under the Litigation category)
3.	All hearing done and Comm(A) reserved the order on or before 30 June 2019 and SIPL received the order on 25 July 2019.	No
4.	SIPL received the commissioner order on 25 May 2019 (On or before 30 June 2019) and	No (but can be considered under

	appeal filed on 25 th June 2019 with CESTAT.	the Litigation category)
5.	SIPL received the commissioner order on 25 May 2019 (On or before 30 June 2019) and appeal filed on 25 th July 2019 with CESTAT.	Not Eligible

In case any amount which has been shown as payable not paid in returns filed till 30th June 2019 will also be covered in Amount in arrears.

5.5. Persons who wish to make Voluntary Disclosures:

Voluntary disclosures can also be made under this scheme. Conditions to opt for voluntary disclosure are as follows:

- There is no Investigation/Search or Audit has been initiated against the person wants to apply. No cut off date has been prescribed for starting of investigation/Search or audit. Thus, whether investigation/Search/Audit has been initiated before 30 June 2019 or after 30 June 2019 voluntary disclosure can not be opted under this scheme.
- No SCN has been issued either before or after 30 June 2019.
- This option cannot be opted for amount shown in returns as payable but not paid. In case returns has been filed on or before 30 June 2019, same may be applied in category of Amount in arrears. However in case return filed after 30 June 2019 no benefit can be availed in this scheme for amount disclosed in return shown as payable but not paid.
- This scheme can not be opted for goods specified in Fourth schedule of Central Excise Act 1944.
- This Scheme can not be opted for matters applied to settlement commission for settlement.
- This Scheme can not be opted for matter for which conviction has been done for an offence punishable under any of the provisions of indirect Tax enactment covered in scheme.

No verification in case of Voluntary disclosure

Section 126 of the Scheme provides that no verification shall be made in case where a voluntary disclosure of an amount of duty has been made by the declarant. The same has been clarified also vide Circular No. 1071/4/2019 CX8 that in cases of voluntary disclosure, no verification is necessitated which means that the declaration will be accepted as such.

Hence, such cases must be finalized within 15 days of filing of the declaration. However, it must also be kept in mind that in case where any material particular furnished in the declaration is subsequently found to be false, within a period of one year of issue of the discharge certificate, it shall be presumed as if the declaration was never made and proceedings under the applicable indirect tax enactment shall be instituted.

6. Process for Declaration

6.1. Process for Declaration and Payment of Tax

Application for the Scheme in FORM SVLDRS-1 has to be filed online on www.cbic-gst.gov.in. Window for this scheme is open from 1st September 2019 to 31st December 2019. Application under this scheme is to be made per case not per applicant. Meaning thereby one applicant has to make multiple application for each case separately. Process of making online application has been in the appendix of the book. Case in the scheme has been defined as:

- (a) a show cause notice, or one or more appeal arising out of such notice which is pending as on the 30th day of June 2019; or
- (b) an amount in arrears; or
- (c) an enquiry or investigation or audit where the amount is quantified on or before the 30th day of June 2019; or
- (d) a voluntary disclosure.

Following is the brief procedure under the scheme:

- Application will be made in Form SVLDRS-1. Application will be filed for each case separately. Application shall be made before jurisdictional commissionerate. In respect of matters under investigation by DGCI, there may be cases where the duty quantified relates to more than one Commissionerate. In such cases, the Designated Committee of the Commissionerate involving the maximum amount of duty will decide the case. Further, in other cases of DGCI wherein the show cause notice that has been issued covers more than one Commissionerate, a common adjudicator must be quickly appointed under intimation to the Chief Commissioner concerned and DG Systems so the Designated Committee of that Commissionerate can finalize this matter.
- On receipt of application designated committee shall verify the particulars furnished by the applicant except in case of voluntary disclosure. Designated will also see records available with the department and this will be done in all cases including voluntary disclosure.

- In case Designated committee is agreed with amount payable declared in Form SVLDRS 1, committee will issue a statement of amount payable in form SVLDRS-3 with in 60 days of filing of application SVLDRS-1.

Statement in SVLDRS-3 will not be issued where amount payable is NIL. In this case discharge certificate will be issued in SVLDRS-4 subject to withdrawal of appeal/case/reference from HC/SC if any. In case there no matter is pending is before HC/SC SVLDRS-4 shall be issued with in 30 days of filing SVLDRS-1.

- Where the amount estimated to be payable by the declarant exceeds the amount declared by the declarant, then, the designated committee shall issue Form SVLDRS-2 , within thirty days of the date of receipt of the declaration, an estimate of the amount payable by the declarant along with a notice of opportunity for personal hearing.
- Applicant can make submissions, ask for waiver of seek an adjournment in Form SVLDRS-2A.
- Designated committed may grant adjournment in SVLDRS-2B.
- If the declarant does not appear before the designated committee for personal hearing the committee shall decide the matter based on available records.
- Committee will issue a statement of amount payable in form SVLDRS-3 within 60 days of filing of application SVLDRS-1.
- Within thirty days of the date of issue of Form SVLDRS-3, the designated committee may modify its order only to correct an arithmetical error or clerical error, which is apparent on the face of record, on such error being pointed out by the declarant or suo moto by issuing electronically a revised Form SVLDRS-3.
- Applicant shall pay electronically the amount, as indicated in Form SVLDRS-3 issued by the designated committee, within a period of thirty days from the date of its issue. The amount given in

SVLDRS can be paid in cash only it can not be paid through ITC. In case payment is not made within 30 days application filed in SVLDRS- 1 will lapse.

- The designated committee on being satisfied that the declarant has paid in full the amount as determined by it and indicated in Form SVLDRS-3, and on submission of proof of withdrawal of appeal or writ petition before HC/SC, within thirty days of the said payment and submission of the said proof, whichever is later. In case there no matter is pending is before HC/SC SVLDRS-4 shall be issued within 30 days of payment.

6.2. Payment only through Cash and no refund

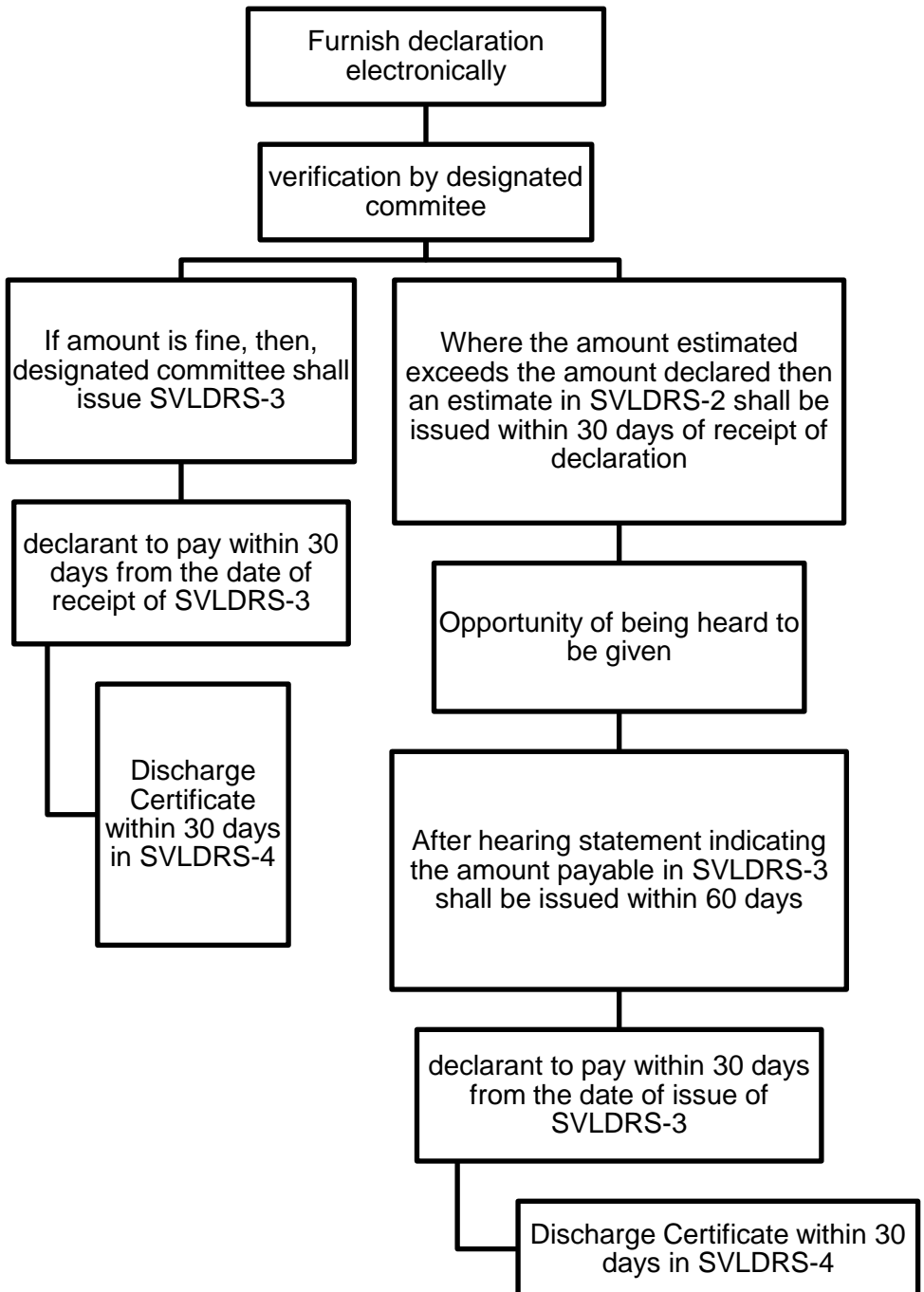
- Amount paid under the scheme shall be paid through Cash only.
- It shall not be refundable under any circumstances;
- It shall not, under the indirect tax enactment or under any other Act,—
 - be taken as input tax credit; or
 - entitle any person to take input tax credit, as a recipient, of the excisable goods or taxable services, with respect to the matter and time period covered in the declaration.

6.3. Restrictions once Discharged Certificate is issued:

Once the Discharge Certificate is issued, the following restrictions shall apply:

- Declarant not liable to pay any further duty, interest or penalty with respect to matter and time period covered.
- Case shall not be reopened in any other proceeding under Indirect tax enactment.
- If false declaration is made in voluntary disclosure, proceedings under applicable laws shall be started within a time limit of one year.

The above process is depicted as under:



7. Frequently Asked Questions

Q1. Is cut off date of 30 June 2019 is applicable in all cases including Amount in arrears?

Ans: Amount in arrear has been defined in Section 121(c) of the Finance Act (2),2019 as follows:

“amount in arrears” means the amount of duty which is recoverable as arrears of duty under the indirect tax enactment, on account of—

- (i) no appeal having been filed by the declarant against an order or an order in appeal before expiry of the period of time for filing appeal; or*
- (ii) an order in appeal relating to the declarant attaining finality; or*
- (iii) the declarant having filed a return under the indirect tax enactment on or before the 30th day of June 2019, wherein he has admitted a tax liability but not paid it;*

Thus, in case amount pertaining to order or order in appeal as per point a and b above no date limit has been provided in statute. However, section 125 of scheme provides certain restrictions for making declaration under the scheme. As per section 125(1)(a) & (c) of the scheme:

“All persons shall be eligible to make a declaration under this Scheme except the following, namely:—

(a) who have filed an appeal before the appellate forum and such appeal has been heard finally on or before the 30th day of June, 2019...”

(b)...

(c) who have been issued a show cause notice, under indirect tax enactment and the final hearing has taken place on or before the 30th day of June, 2019;”

Order passed after 30 June 2019 can be bifurcated in two parts:

- Final hearing done on or before 30 June 2019- In this situation no benefit available as per section 125(1) (a)
- Final hearing done after 30 June 2019- This situation may be covered in section 123(a) or (b)

Thus, it seems there is cut-off date even for amount in arrear also because of restriction place u/s 125 of the scheme.

Q 2. letter from range or audit notice received but no audit conducted, can the assessee be eligible to apply under "sabka viswas"?

Ans. As per section 123(c) of the scheme relief is available *“where an enquiry or investigation or audit is pending against the declarant, the amount of duty payable under any of the indirect tax enactment which has been quantified on or before the 30th day of June, 2019”*

As amount has not been quantified on or before 30 June 2019 benefit of the scheme will not be available.

Q 3. How the department will verify that the declared/disclosed liability is correct...? What mechanism is adopted?

Ans. It will be verified through department records except for voluntary disclosure. Following is the para 11 (a) of the circular 1071/4/2019-CX.8 dated 27th August 2019:

"It shall be ensured that the updated and complete records of the cases eligible under the Scheme are made available to the Designated Committees by 31.08.2019. It may be noted that except for voluntary disclosure, the information regarding eligible taxpayers is readily available with the field formations through show cause notices which are yet to be adjudicated, or cases which are pending at various appellate forums or the cases under investigation or audit where the duty demand has been quantified and communicated on or before 30.06.2019 or the cases of recoverable arrears."

Q 4. How many years of liability to be disclosed-say 3 years of non-payment of taxes?

Ans: There is no limitation on the no of periods to be declared in the scheme. As per eligibility of the scheme application is required to be filed for each case separately.

Q 5. Assessee has discharged all liabilities but interest on belated payment is not paid. should the assessee apply for "sabka viswas"?

Ans: In case SCN has been issued for interest and same is pending than application can be submitted as per eligibility u/s 123(b) of the scheme. and circular 1071/4/2019-CX.8 dated 27th August 2019 has clarified in this regard as follows:

"With respect to penalty/late fee matters [Section 124(1)(b) refers], a doubt has been expressed that only show cause notices for late fee or penalty are covered under this Scheme as there is no mention of appellate proceedings. It is clarified that the provisions apply to any show cause notice for penalty/late fee, irrespective of the fact that it is under adjudication or appeal. Moreover, there can be a show cause notice that originally also involved a duty demand, and the amount of duty in the said notice became 'nil' whether on account of the fact that same has been paid under this Scheme or otherwise. Such cases are also covered under Section 124(1)(b)"

Same way this benefit may be made available for voluntary disclosure. We may need to have more clarification in this regard from department side.

Q 6. Whether scheme will cover order passed after June 2019 or investigation or audit notice received after June 19?

Ans: Refer Q 1 above due to restrictions placed by section 125 of the scheme benefits may not be available in the scheme.

Q 7. If an appeal is pending on 30.6.2019 only for penalty, is it eligible under scheme for full relief from penalty?

Ans: This position may be covered in section 124(b) of the scheme and circular 1071/4/2019-CX.8 dated 27th August 2019 has clarified in this regard as follows:

“With respect to penalty/late fee matters [Section 124(1)(b) refers], a doubt has been expressed that only show cause notices for late fee or penalty are covered under this Scheme as there is no mention of appellate proceedings. It is clarified that the provisions apply to any show cause notice for penalty/late fee, irrespective of the fact that it is under adjudication or appeal. Moreover, there can be a show cause notice that originally also involved a duty demand, and the amount of duty in the said notice became 'nil' whether on account of the fact that same has been paid under this Scheme or otherwise. Such cases are also covered under Section 124(1)(b)”

Q 8. If an SCN upon a co noticee is pending on 30.6.2019 for penalty, can the noticee avail the scheme irrespective of other parties, as the parties under the SCN are not jointly and severally liable, rather independently liable ?

Ans: As per the proviso of section 123(b) of the scheme:

“if the said notice has been issued to the declarant and other persons making them jointly and severally liable for an amount, then, the amount indicated in the said notice as jointly and severally payable shall be taken to be the amount of duty payable by the declarant;”

Thus, restriction are only in case of SCN mention the liability joint and several and in other cases liability can be discharged independently.

Q 9. Own admission of liability during audit \ Investigation \ enquiry proceeding by submitting a letter before 30th June 19 – Whether covered in scheme?

Ans: No Intimation of Amount means department has communicated on or before 30 June 2019.

Q 10. Search conducted by department on January 2019 regarding service tax dues but as of 30-06-2019 no duty liability has been quantified by department as they are aware about this scheme. In balance sheet dated 31-03-2018 service tax liability declared by auditor is around 58 lakhs. Search conducted by department but as of 30-06-2019 no duty amount quantified by the department. Total payment had been made of

rs. 32 lakhs against search conducted as on date. what options available under the Scheme?

Ans: This may be covered under voluntary disclosure u/s 123(d) subject to section 125. Benefit of Rs 32 Lac deposited can be taken. Balance Tax of Rs 26 lac need to be paid. Benefit of interest and penalty will be available.

Q 11. Comm(A) allowed partly demand in our favour and partly demand in favour of Department. Taxpayer as well as department both filed the appeal before CESTAT. As on 30th June, 2019, both the appeal are pending Due to monetary limit, the department withdrawn the dept. appeal in September 2019. As on 30th June 2019, both the appeal are pending, so tax due will be taken for both the appeal and SVS application have to be filed for both appeal together? Or as the dept. has withdrawn the appeal subsequently in Sept. 2019, so tax due is only for our appeal. How and for which amount application can be filed?

Ans: As per section 123(a)(ii) scheme is applicable for disputed amounts pending in appeal as on 30 June 2019.

Q 12. SCN has been issued on 31.01.2019. Personal Hearing on 24.05.2019, 11.06.2019 and final Hearing on 24.06.2019. Order-In-Original dated 15.07.2019 received on 20.08.2019.

Whether benefit under the scheme can be taken?

Ans: Due to restrictions place by section 125 scheme will not be available.

Q 13. OIO dated 28.02.2019 received on 17.05. 2019. Appeal has been filed in cestat on 14.08.2019 and appeal is pending in cestat as on date. Whether same is covered in scheme?

Ans: Scheme is not available as appeal has been filed post 30 June 2019 and case will not fall in any the specified category.

Q 14. Is Scheme applicable to service tax assessee who received the notice of service tax audit under EA- 2000 scheme?

Ans: Scheme can be opted if amount has been quantified and communicated in writing on or before 30 June 2019.

Q 16. All dues paid under Service tax act without payment of applicable interest. Service tax return not filed for relevant period. Can he apply for the scheme under voluntary disclosure and get waiver of interest and late fee? Any other precautions to be taken?

Ans: In case SCN has been issued for interest and same is pending than application can be submitted as per eligibility u/s 123(b) of the scheme. and circular 1071/4/2019-CX.8 dated 27th August 2019 has clarified in this regard as follows:

“With respect to penalty/late fee matters [Section 124(1)(b) refers], a doubt has been expressed that only show cause notices for late fee or penalty are covered under this Scheme as there is no mention of appellate proceedings. It is clarified that the provisions apply to any show cause notice for penalty/late fee, irrespective of the fact that it is under adjudication or appeal. Moreover, there can be a show cause notice that originally also involved a duty demand, and the amount of duty in the said notice became 'nil' whether on account of the fact that same has been paid under this Scheme or otherwise. Such cases are also covered under Section 124(1)(b)”

Same way this benefit may be made available for voluntary disclosure however, Scheme does not provide for waiver of interest and penalty with having tax dues in case of voluntary disclosure. We may need to have more clarification in this regard from department side.

Q 17. In a case an inquiry was started before two years by the Preventive Officer. On verbal advice, assessee paid tax + interest + 15% penalty and letter for waiver of SCN was submitted in November-2018. After that department had did not give benefit of 10 lakhs exemption and denied to give credit and issued SCN in July-2019 for total amount and appropriate paid amount. Whether assessee can take benefits of scheme?

Ans: Amount has not been quantified on or before 30 June 2019 and voluntary disclosure can not be opted being case of inquiry. Thus Scheme is not available. However, in case department has quantified the amount and communicated in writing on or before 30 June 2019 scheme can be opted.

Q 18. How does sabka vishwas help for those cases where there is no tax due to the government and SCN is given against the norms of the government. various court judgements are against the government.?

Ans: Scheme has been given to settle the disputes within specified parameters. Scheme is very objective and does not taken into account the nature of judgements of courts to decide applicability. Eligibility depends on dispute of the case and conditions specified in scheme.

8. Procedure for Online Application

The taxpayer can apply for this scheme from <https://cbic-gst.gov.in>. The taxpayer already registered under CE / ST can login and fill Part-B of SVLDRS Form-1. The unregistered taxpayer can register himself by filling Part-A of SVLDRS Form -1. The e filing procedure can be divided into the following steps:

- i. Where to Start
- ii. Create Login / Register
- iii. Choosing the Declaration
- iv. Submitting Eligibility
- v. Choosing category of declaration
- vi. Value Declaration
- vii. Acceptance and Submissions
- viii. Processing by Designated Committee
- ix. Issuance of SVLDRS-2 in case of difference of tax payable
- x. Adjournment
- xi. Determination of Amount payable by Committee in SVLDRS-3
- xii. Payment of Tax Payable
- xiii. Discharge certificate

We shall now discuss each of the above step in detail in the following pages with screen shots. Authors acknowledge that due to paucity of space the quality of some of the screen shots is not readable. However, a fair idea shall be available to the reader from such screenshots.

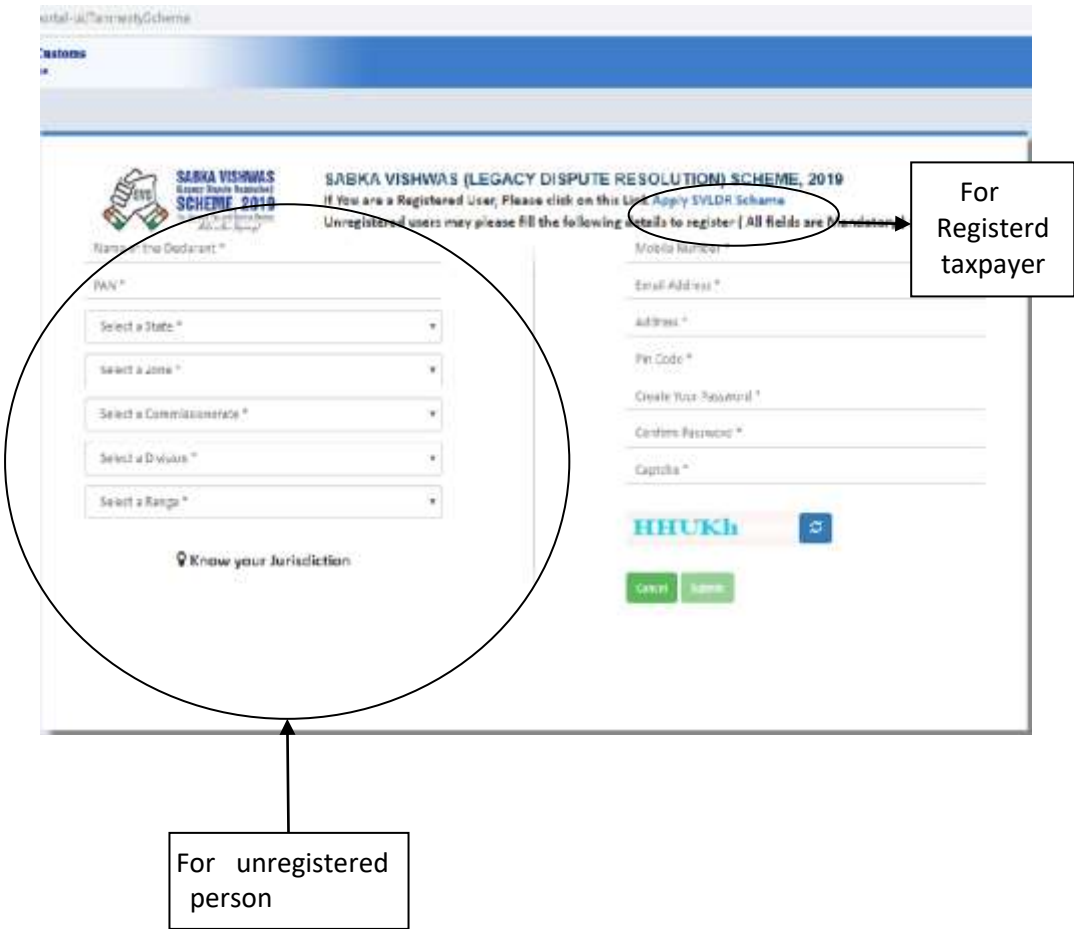
8.1. Where to Start

The taxpayer can apply for this scheme on visiting website <https://cbic-gst.gov.in>



8.2. Create Login / Register

After selecting the above option, following screen shall appear. There are two options available to both the registered and unregistered persons. We have discussed the procedure for both types of persons under two heads for login purpose.



8.2.1. Registration for registered Tax payers

Firstly, the taxpayer already registered under CE / ST can login by selecting Apply SVLDR Scheme and start filling Part-B of Form SVLDRS1.

Registered taxpayer shall click on this option

The screenshot shows the 'SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019' registration page. A callout box with the text 'Registered taxpayer shall click on this option' points to the link 'Apply SVLDR Scheme' under the heading 'If You are a Registered User, Please click on this link Apply SVLDR Scheme'. Below this, it says 'Un-registered users may please fill the following details to register (All fields are Mandatory) :'. The registration form includes fields for 'Name of the Declarant', 'PAN', 'Select a State', 'Mobile Number', 'Email Address', 'Address', and 'Pin Code'.

After selecting Apply SVLDRS Scheme, following screen shall appear where the registered person can fill his login details.

Fill your ST/CE Login details

The screenshot shows the 'Taxpayer Login' page. A callout box with the text 'Fill your ST/CE Login details' points to the 'Taxpayer Login' section. The login form includes fields for 'User ID', 'Password', and a CAPTCHA challenge. To the right, there are links for 'Existing User' (Forgot Password, Unlock account) and 'New User' (New Registration, TERN Login). At the bottom, there is a link 'Know your Jurisdiction'.

8.2.2.Registration for unregistered Tax payers

The unregistered person can register himself by filling Part-A of SVLDRS Form -1 as mentioned below and submit the registration form. All fields are mandatory to fill.



Unregistered users may please fill the following details to register

Name of the Declarant *

PAN *


Select a State *

Select a Zone *

Select a Commissionerate *

Select a Division *

Select a Range *


 Know your Jurisdiction

Mobile No.

Email Address *

Address *

Captcha *




GO

You can know about your jurisdiction details by clicking on this option.

On selecting the state, following screen shall appear where you can find all the details.

Know Your Jurisdiction



LIST OF JURISDICTION

STATE : Delhi

Sl No.	ZONE	ZONE CODE	JURISDICTION	ADDRESS	STATE	DISTRICT	PIN	PHONE	FAX	EMAIL
1	DELHI	51	EAST Delhi East, Delhi South, Delhi North, Delhi West, Delhi (Audit-I), Delhi (Audit-II), Delhi (Ap	CR BUILDING, IP ESTATE, NEW DELHI	Delhi	New Delhi	1100108 23370115 23481300	23370100		ccu- ceadw@nic.in

Cancel

The value of the fields i.e. State/ Zone/ Commissionerate/Division/Range will be auto populated by selecting the appropriate options.

After this, the Dashboard will display on the screen. Now, the steps to fill the form are same for both registered and unregistered persons.

8.3. Choosing the Declaration



Click on Menu on the left-hand side and select the Option.



8.4. Submitting Eligibility

On this page, answer to first four questions should be “No” in order to apply for this scheme as these questions check eligibility. The first four questions talk about conviction, matter pending before Settlement Commission, declaration related to Fourth Schedule to Central Excise Act and declaration related to erroneous refund. These points are exceptions under this scheme. The rest of the options should be selected by the taxpayer by selecting correct option as per his declaration type.

Kindly answer the following questions to determine whether you are eligible to file SVLDRS I Form

S.No	Eligibility Criteria	Yes	No
1	Have you been convicted for an offence for the matter for which this declaration is being made? (Note: If you answer YES to this question, you are ineligible to proceed further under the Scheme.)	<input type="radio"/>	<input checked="" type="radio"/>
2	Have you filed an application in the Settlement Commission for the case for which this declaration is being made? (Note: If you answer YES to this question, you are ineligible to proceed further under the Scheme.)	<input type="radio"/>	<input checked="" type="radio"/>
3	Are you seeking to make this declaration with respect to excisable goods set forth in the Fourth Schedule to the Central Excise Act, 1944 (specified petroleum and tobacco products)? (Note: If you answer YES to this question, you are ineligible to proceed further under the Scheme.)	<input type="radio"/>	<input checked="" type="radio"/>
4	Are you seeking to make this declaration with respect to a show cause notice of refund/erroneous refund? (Note: If you answer YES to this question, you are ineligible to proceed further under the Scheme.)	<input type="radio"/>	<input checked="" type="radio"/>

These four should be 'NO'

After this, please answer other questions in the form and proceed.

7	Have you received any written communication from a Central Excise Officer with regard to any audit to be conducted? (Note: If you answer YES to this question, you are ineligible to proceed further under the VOLUNTARY DISCLOSURE category.)	<input type="radio"/>	<input checked="" type="radio"/>
8	Have you been subjected to any enquiry or investigation under the Central Excise Act, 1944 or Chapter V of the Finance Act, 1994 in respect of the goods/services or both for which this declaration is being made by way of any of the following: (a) search of premises (b) issuance of summons (c) requiring the production of accounts, documents or other evidence (d) recording of statements (Note: If you answer YES to this question, you are ineligible to proceed further under the VOLUNTARY DISCLOSURE category.)	<input type="radio"/>	<input checked="" type="radio"/>
9	Have you filed any return for the period for which declaration is being made showing the amount of duty to be payable but not having paid? (Note: If you answer YES to this question, you are ineligible to proceed further under the VOLUNTARY DISCLOSURE category.)	<input type="radio"/>	<input checked="" type="radio"/>
10	Have the tax dues with regard to the matter under enquiry, investigation or audit NOT been quantified as on or before 30.06.2024? (Note: If you answer YES to this question, you are ineligible to proceed further under the INVESTIGATIONAL, ENQUIRY OR AUDIT category.)	<input type="radio"/>	<input checked="" type="radio"/>

Click on Proceed

8.5. Choosing category of declaration

There are certain categories available under this scheme. The taxpayer will select category, subcategory and duty type of his choice.

Central Board of Indirect Taxes and Customs
Ministry of Finance - Department of Revenue

Name: NITESH Jurisdiction: C:AHMEDABAD-NORTH > D:DIVISION-1 - NARODA > R:RANGE I

Dashboard

FORM SVLI

Name of the Declarant: NITESH Address of the Declarant: North Block, Ahmedabad 5705 - APL PAN: BAIPD9739L

Jurisdiction: C:AHMEDABAD-NORTH > D:DIVISION

Category: Select
Arrears
Litigation
Investigation, Enquiry or Audit
Voluntary Disclosure

Sub Category:

Choose option as per your declaration type

8.5.1. Choosing sub category under Litigation category

Once you have chosen Litigation, you will be required to choose further subcategory:

Name of the Declarant: NITESH Address of the Declarant: North Block, Ahmedabad 5705 - APL PAN: BAIPD9739L

Jurisdiction: C:AHMEDABAD-NORTH > D:DIVISION

Category: Litigation

Sub Category: Select
SCN Involving Duty Pending
SCN Involving Penalty Pending
Appeal Pending

Choose your option under Litigation category

8.5.2. Choosing sub category under Arrear category

If you have chosen Arrears, you will be required to choose further subcategory:

FORM SVLDRS 1

Name of the Declarant

NITESH

Address of the Declarant

North Block, Ahmedabad 5705 An

PAN

BAIPD9739L

Jurisdiction

C:AHMEDABAD-NORTH > D:DIVISIO

Category

Arrears

Sub Category

Select

Select

Appeal not filed or appeal having attained finality

Declared in Return but not paid

Choose your option under Arrear category

8.5.3.Choosing sub category under Arrear category

If you have chosen Investigation etc., you will be required to choose further subcategory as under:

FORM SVLDRS 1

Name of the Declarant

NITESH

Address of the Declarant

North Block, Ahmedabad 5705 An

PAN

BAIPD9739L

Jurisdiction

C:AHMEDABAD-NORTH > D:DIVISIO

Category

Investigation, Enquiry or Audit

Sub Category

Select

Investigation By DGO

Investigation By Commissioner

Audit

Choose your option under Arrear category

8.6. Value Decalrations

After choosing the specific sub category, the type of duty shall also be asked viz., Service Tax, Excise duty, Cess etc. Post selection of the duty type, the value declarations shall open:

SCN involving duty along with interest/late fee/penalty (if any) pending as on 30.06.2019 and final hearing not held t

Whether the case is under adjudication by Pr. ADG/ADG (Adjudication), Delhi?

☒ Yes ☐ No

Sl. no	SCN No	SCN Date	Details of Duty	
			Duty/Tax/Cess	Amount
1	12/aaaa/2018-12	03/06/2018	Basic Excise Duties	2800000
2			Other Receipts	2800000
3	12/aaaa/2018-12	03/06/2018	Special Excise Duties	
			Duties on Motor Vehicle Parts	
			Add. Duties in lieu of Sales Tax	
			Penalty on Generation of Error	

The declaration requires you to provide details of Duty, Penalty and Late fee and Pre deposit amount. It does not require the provision of interest. It shall then provide the Tax dues less Tax relief basis the value feeded and actions thereafter.

	Penalty	Late Fee	Pre-deposit	Tax Dues less Tax Relief	Action
	10000	10000	0	1400000	+
	0	0	0	1400000	+ -
	0	0			+ -
	10000	10000		2800000	
	10000	10000		2800000	

System will auto-calculate the tax relief amount

Under Action column, click on (+) to add more details. You can also delete if some wrong detail is filled

The taxpayer can add rows for entering the details of other duty details which were not covered in upper rows by selecting the (+) option under Action head.

8.7. Acceptance and Submissions

Once the value has been auto calculated, the system requires the declarant to choose whether he agrees to such computation or not. If he accepts yes, he can simply proceed.

Appeal not filed or appeal having attained finality

SNo	Order No	Order Date
1	OID/2018-66	14/0

If you agree with the tax relief amount, then select the Yes option.

Amount Payable (in Words) : Rupees Forty Thousand Only

Do you agree with the "Tax Dues less Tax Relief" calculated by the System

☒ Yes ☐ No

Verification

In case of disagreement, please choose disagreement.

If you don't agree, then select the No option and state reason along with your computed amount.

Amount Payable (in Words) : Rupees Forty Thousand Only

Do you agree with the "Tax Dues less Tax Relief" calculated by the System

☐ Yes ☒ No

Reason for disagreement

Any reason given by the taxpayer

Amount of Tax Dues less Tax Relief as per your calculation :

30000

Finally, accept the verification.

Verification

I declare that I have read and understood the SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019, and agree to abide by correct and complete and the amount of tax dues and other particulars shown therein are truly stated.

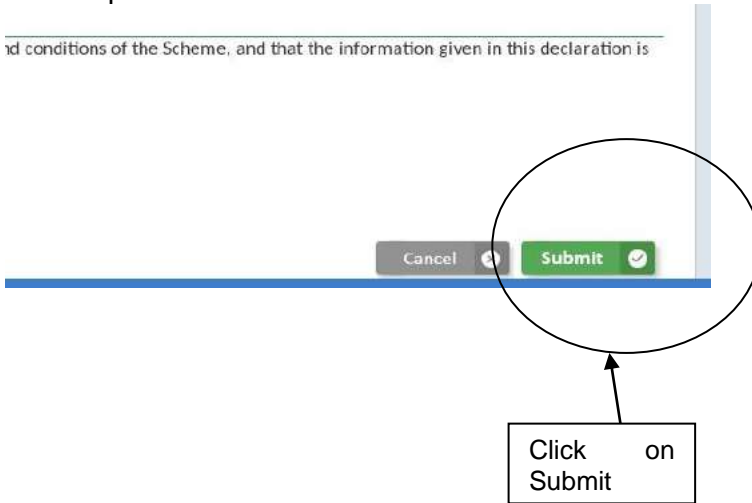
I shall pay the amount as may be determined by the Designated Authority under the Scheme.

Name of declarant/ authorized representative filing this declaration :

WITESH

Last step is to submit the form.

and conditions of the Scheme, and that the information given in this declaration is



The screenshot shows the bottom of the verification form. At the bottom, there are two buttons: a grey 'Cancel' button and a green 'Submit' button with a white checkmark icon. A black circle is drawn around the 'Submit' button. An arrow points from the bottom of this circle to a white rectangular box with a black border. Inside this box, the text 'Click on Submit' is written in black.

8.8. Processing by Designated Committee

The form SVLDRS-1 will be submitted to the concerned committee. ARN will be generated and taxpayer will be informed via email and SMS. Now, the tax officer shall check the application filed by the taxpayer

The tax officer will be shown two options i.e. whether to issue Form SVLDRS-2 or Form SVLDRS-3

The screenshot shows the SVLDRS-1 application form. It includes a table with the following columns: Taxpayer Name, Amount, and Tax Officer's Remarks. The table has three rows, each with a green highlighted cell in the 'Tax Officer's Remarks' column. Below the table, there are sections for 'Amount Payable (In Words)', 'Declaration', and 'Verification'.

The tax officer shall proceed to issue SVLDRS-2/ SVLDRS-3

SVLDRS-2 in case the tax officer doesn't agree with the amount estimated by taxpayer/system generated

SVLDRS-3 in case the tax officer agrees with the amount estimated by taxpayer/system generated

8.10. Adjournment

In case, the tax payer wants an adjournment, he can apply for the same on portal by filling Form SVLDRS-2A. One adjournment is allowed to every taxpayer. This should be exercised diligently and should also mention his preference for date.

S No	Browse/ Upload	Remarks
1	<div><div></div><div>Browse</div></div>	

Do you want to waive personal hearing? ☒ Yes ☐ No

Do you want to seek an adjournment of personal hearing offered to you? ☒ Yes ☐ No

Indicate a preferred date for hearing

DD/MM/YYYY

Select Yes option to seek adjournment and mention date of your choice.

Now the tax officer shall consider the adjournment application filed by the taxpayer and issue date of personal hearing under Form SVLDRS-2B.

This is to inform that the Personal Hearing before the Designated Committee in relation to the subject Declaration No.

(AM/PM) on (date) in the office of (address).

Please note that in the event of failure to attend the Personal Hearing the designated committee shall take a decision in regard to you.

Members of the Designated Committee

Personal hearing details are mentioned here.

8.11. Determination of Amount payable by Committee in SVLDRS-3

Now the form SVLDRS-3 will be issued for final amount of tax dues to be paid by the taxpayer.

Joint Software Development Committee
 Name: Department of Commerce

Form No. SV/DJS-3 (Rev. 2019)

Statement Under Section 127 of the Finance (No. 2) Act, 2018 read with Rule 4 of the Salita Vishwas (Surgey Dispute Resolution) Scheme Rules, 2018 to be issued by the Designated Committee
(SALITA VISHWAS (SURGEY DISPUTE) RESOLUTION SCHEME, 2018)

Section 3: Name: _____ Commission/Agency/Board, District: _____ Zone/Region, State: _____

Whereas (No. 2018), _____ (hereinafter referred to as the declarant) having registration no./file number with no. _____ has filed a Declaration No. _____ dated _____ under section 127 of the Finance (No. 2) Act, 2018.

In exercise of the powers conferred by sub-sections (2) and (4), as the case may be, of section 127 of the Finance (No. 2) Act, 2018, the designated Committee, after consideration of relevant material, hereby determines the following amounts payable by the declarant towards full and final settlement of her dues under the Scheme (as amended) for the said Declaration under the Scheme:

Component	Description of Goods/ Services	Units/Quantity	Year period		Tax Item		Tax credit	Tax amount	Refund amount payable	
			From Period	To Period	Basic	Interest			Basic	Interest
Income Tax	SV/DJS-3	1	2018-19	2019-20	100000	100000	0	0	0	0
					100000	0	0	0	0	0
					100000	0	0	0	0	0

For (Declarant): _____

For Designated Committee: _____

Name	Description
Member 1	ABC
Member 2	DEF

Page 1 of 1

8.12. Payment of Tax Payable

The last step to be filed by the taxpayer is making payment on the portal. Challan generation and gateway to make payment window appears like this. The taxpayer shall also file withdrawal certificate if he has filed any appeal before the High Court and the Supreme Court. For this, the taxpayer shall file an application before such High Court or the Supreme Court for withdrawing the writ petition and after its withdrawal he shall furnish proof of such withdrawal to the Designated. Committee

Central Board of Indirect Taxes and Customs
Ministry of Finance - Department of Revenue

₹ 0 4 0

Amount in Rupees (₹)

S.No	Category	Description of Goods/ Services	Matter involved	Time period		Tax due		Tax paid	Pre-deposit	Estimated Amount Payable	
				From Period	To Period	Name	Amount			Name	Amount
1	Voluntary Disclosure	Shilpa Product	2	Transaction	01/01/2017	01/01/2017	Shilpa C250			Shilpa C250	
							TOTAL	0	0	0	0
							GROSS TOTAL	0	0	0	0

Amount Payable (In Words) :

1 0 0 4 0

Members of the Designated Committee

S.No	Name	Description
1	Amish D	AC
2	Bibhu K	DC

Place :

Date :

Note : This is a computer generated print. There is no need for a signature

Generate Challan

Make Payment

Upload Proof of Withdrawal Certificate

First select generate challan and make payment. Also upload withdrawal certificate if applicable.

After making payment, SVLDRS-4 will be issued by the tax officer. This form is a Discharge Certificate and submission of proof of withdrawal of appeal

Central Board of Indirect Taxes and Customs
Ministry of Finance - Department of Revenue

Channel: Assessment / Div 1 / Range: ANANDAPURAM/00000000001/01 Date: 23/01/2019

Application Details SVLDRS SVLDRS-1A SVLDRS-1B SVLDRS-4 **SVLDRS** Application History

Form No. SVLDRS-4 (See rule 3)

[Discharge Certificate for Full and Final Settlement of Tax Dues under Section 127 of the Finance (No. 2) Act, 2019 read with Rule 9 of the Sakha Vishwas (Legacy Dispute Resolution) Scheme, 2019]
SAKHA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME RULES, 2019

Declaration No: _____ SVLDRS-4 No: _____ Commissionerate(DO01, Delhi): _____ Zone(DO01, Delhi): _____

Whereas _____ [Name and address of the declarant] having registration number _____ had made a declaration under Section 125 of the Finance (No. 2) Act, 2019;

And whereas the designated committee by issue of a statement dated _____ under Section 127 of the Finance (No. 2) Act, 2019 determined the amount of Rs. _____ [Rupees
_____] payable by the declarant in accordance with the provisions of the Scheme towards full and final settlement of tax dues as per details given below:

Amount in Figures (₹)

Sl.No.	Category	Description of Goods/ Services	Matter Involved	Time period		Tax due		Tax relief	Pre-deposit	Estimated Amount Payable	
				From Period	To Period	Name	Amount			Name	Amount
1	Mandatory Disclosure	Steel Products	Exemption	10/01/2015	10/01/2015	Tax CDSI *				Tax CDSI *	
TOTAL							0	0	0		0
GRAND TOTAL							0	0	0		0

Amount Payable (in Words): _____

9. Designated Committee

Designated Committee has been defined under Section 126 of the Chapter V of the Finance (No.2) Act, 2019. It shall comprise of following:-

S.No.	Committee	Constituting Members
a.	Committee 1 – Declaration above 50 Lakhs	Principal Commissioner / Commissioner and Additional / Joint Commissioner
b.	Committee 2 - Declaration upto 50 Lakhs	Additional / Joint Commissioner and Deputy / Assistant Commissioner

It should be noted that there shall be only one such designated committee in a Commissionerate of Central Excise and Service Tax in both the situations mentioned under (a) and (b). The members of the committee under (a) and (b) shall be nominated by the Principal Chief Commissioner or Chief Commissioner of Central Excise and Service Tax.

A separate committee shall also be appointed by Pr. Director General or Director General, Directorate General of Good and Services Tax Intelligence (DGGI).

In cases where there has been an investigation by DGCEI and the tax dues quantified relates to more than one Commissionerate, the Designated Committee involving the maximum amount of duty will adjudicate the matter. In other cases of DGCEI, where show cause notice issued covers more than one Commissionerate, a common adjudicator must be expeditiously appointed under the intimation to the Chief Commissioner concerned and DG systems so that the Designated Committee of that Commissionerate can finalize the matter.

It is expected that that the Designated Committee will be prompt in decision making by consensus and the senior officer in the Committee will take a lead to ensure the same. After the declaration made by the taxpayer, the Designated Committee shall adjudicate the matter within 60 days

Designated Committee and its Role:

The verification shall be done by the Committee by considering the records available with the Department and the amount declared in the Form. There shall be no verification if the taxpayer voluntarily declares the dues. The designated committee shall issue statement electronically within sixty days from the date of receipt of the declaration specifying the details of amount payable. Where the amount is NIL as determined by the committee and no appeal is pending before High Court (HC) and Supreme Court (SC), the statement shall not be issued. In case of discrepancy between the amount declared and the amount estimated by the committee, the committee shall issue statement in Form SVLDRS-2 electronically within 30 days of the date of receipt of the declaration, specifying estimated amount along with notice of personal hearing. The declarant shall file electronically in Form SVLDRS-2A indicating agreement or disagreement or wants to make written submissions or waive personal hearing or seek an adjournment. If declarant does not submit response till the date of personal hearing, the committee shall adjudicate the matter based on available records. Adjournment shall be granted electronically in Form SVLDRS-2B on receipt of request. After

issuing Form SVLDRS-3, the committee may modify its order electronically within 30 days only to correct arithmetical/clerical error, on such error being pointed out by the declarant or suo motu by issuing revised form.

10. Act, Rules, Circular etc.

10.1. Sabka Vishwas (LDR) Scheme, 2019

[Introduced vide Chapter V of Finance (No.2) Act, 2019 Made effective vide Notification No. 4/2019 Central Excise-NT [F.NO. 267/78/19-CX8(Pt-III)], dated 21-8-2019 from 1st September, 2019]

120. Short title and Commencement

- (1) This Scheme shall be called the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 (hereafter in this Chapter referred to as the "Scheme").
- (2) It shall come in to force on such date as the Central Government may, by notification in the Official Gazette, appoint.

121. Definitions

In this Scheme, unless the context otherwise requires,-

- (a) "amount declared" means the amount declared by the declarant under section 127;
- (b) "amount estimated" means the amount estimated by the designated committee under Section 125;
- (c) "amount in arrears" means the amount of duty which is recoverable as arrears of duty under the indirect tax enactment, on account of-
 - (i) No appeal having been filed by the declarant against an order or an order in appeal before expiry of the period of time for filing appeal; or
 - (ii) an order in appeal relating to the declarant attaining finality; or
 - (iii) the declarant having filed a return under the indirect tax enactment on or before the 30th day of June, 2019, where in he has admitted a tax liability but not paid it;
- (d) "amount of duty" means the amount of central excise duty, the service tax and the cess payable under the indirect tax enactment;
- (e) "amount payable" means the final amount payable by the declarant as determined by the designated committee as indicated in the statement issued by it, in order to be eligible for the benefits under

this Scheme and shall be calculated as the amount of the dues less the tax relief;

- (f) “appellate forum” means the Supreme Court or the High Court or the Customs, Excise and Service Tax Appellate Tribunal or the Commissioner (Appeals);
- (g) “audit” means any scrutiny, verification and checks carried out under the indirect tax enactment, other than an enquiry or investigation, and will commence when written intimation from the central excise officer regarding its conduct is received;
- (h) “declarant” means a person who is eligible to make a declaration and files such declaration under section 125;
- (i) “declaration” means the declaration filed under section 125;
- (j) “departmental appeal” means the appeal filed by a central excise officer authorized to do so under the indirect tax enactment, before the appellate forum;
- (k) “designated committee” means the committee referred to in section 126;
- (l) “discharge certificate” means the certificate issued by the designated committee under section 127;
- (m) “enquiry or investigation”, under any of the indirect tax enactment, shall include the following actions, namely;-
 - (i) search of premises;
 - (ii) issuance of summons;
 - (iii) requiring the production of accounts, documents or other evidence;
 - (iv) recording of statements;
- (n) “indirect tax enactment” means the enactments specified in section 122;
- (o) “order” means an order of determination under any of the indirect tax enactment, passed in relation to a show cause notice issued under such indirect tax enactment;
- (p) “order in appeal” means an order passed by an appellate forum with respect to an appeal filed before it;
- (q) “person” includes-
 - (i) an individual;
 - (ii) a Hindu undivided family;
 - (iii) a company;
 - (iv) a society;
 - (v) a limited liability partnership;

- (vi) a firm;
- (vii) an association of persons or body of individuals, whether in corporate or not;
- (viii) the Government;
- (ix) a local authority;
- (x) an assessee as defined in rule 2 of the Central Excise Rules, 2002;
- (xi) every artificial juridical person, not falling within any of the preceding clauses;
- (r) “quantified”, with its cognate expression, means a written communication of the amount of duty payable under the indirect tax enactment;
- (s) “statement” means the statement issued by the designated committee under section 127;
- (t) “tax relief” means the amount of relief granted under section 124;
- (u) all other words and expressions used in this Scheme, but not defined, shall have the same meaning as assigned to them in the indirect tax enactment and in case of any conflict between two or more such meanings in any indirect tax enactment, the meaning which is more congruent with the provisions of this Scheme shall be adopted.

122. Application of Scheme to indirect tax enactments

This Scheme shall be applicable to the following enactments, namely:-

- (a) the Central Excise Act, 1944 or the Central Excise Tariff Act, 1985 or Chapter V of the Finance Act, 1944 and the rules made there under;
- (b) the following Acts, namely:-
 - (i) the Agricultural Produce Cess Act, 1940;
 - (ii) the Coffee Act, 1942;
 - (iii) the Mica Mines Labour Welfare Fund Act, 1946;
 - (iv) the Rubber Act, 1947;
 - (v) the Salt Cess Act, 1953;
 - (vi) the Medicinal and Toilet Preparations (Excise Duties) Act, 1955;
 - (vii) the Additional Duties of Excise (Goods of Special Importance) Act, 1957;
 - (viii) the Mineral Products (Additional Duties of Excise and Customs) Act, 1958;
 - (ix) the Sugar (Special Excise Duty) Act, 1959;
 - (x) the Textiles Committee Act, 1963;
 - (xi) the Produce Cess Act, 1966;

- (xii) the Limestone and Dolomite Mines Labour Welfare Fund ACT, 1972;
- (xiii) the Coal Mines (Conservation and Development) Act, 1974;
- (xiv) the Oil Industry (Development) Act, 1974;
- (xv) the Tobacco Cess Act, 1975;
- (xvi) the Iron Ore Mines, Manganese Ore Mines and Chromite Ore Mines Labour Welfare Cess Act, 1976;
- (xvii) the Bidi Workers Welfare Cess Act, 1976;
- (xviii) the Additional Duties of Excise (Textiles and Textile articles) Act, 1978;
- (xix) the Sugar Cess Act, 1982;
- (xx) the Jute Manufacturers Cess Act, 1983;
- (xxi) the Agricultural Processed Food Products Exports Cess Act, 1985;
- (xxii) the Spices Cess Act, 1986;
- (xxiii) the Finance Act, 2004;
- (xxiv) the Finance Act, 2007;
- (xxv) the Finance Act, 2015;
- (xxvi) the Finance Act, 2016;

(c) any other Act, as the Central Government may, by notification in the Official Gazette, specify.

123. Tax dues,

For the purpose of the Scheme, “tax dues” means-

(a) where-

- (i) a single appeal arising out of an order is pending as on the 30th day of June, 2019 before the appellate forum, the total amount of duty which is being disputed in the said appeal;
- (ii) more than one appeal arising out of an order, one by the declarant and the other being a departmental appeal, which are pending as on the 30th day of June, 2019 before the appellate forum, the sum of the amount of duty which is being disputed by the declarant in his appeal and the amount of duty being disputed in the departmental appeal:

Provided that nothing contained in the above clauses shall be applicable where such an appeal has been heard finally on or before the 30th day of June, 2019

Illustration 1: The show cause notice to a declarant was for an amount of duty of Rs.1000 and an amount of penalty of Rs.100. The order was for an amount of duty of Rs.1000 and amount of penalty of Rs.100. The declarant files an appeal against this order. The amount of duty which is being disputed is Rs.1000 and hence the tax dues are Rs.1000.

Illustration 2: The show cause notice to a declarant was for an amount of duty of Rs.1000 and an amount of penalty of Rs.100. The order was for an amount of duty of Rs.900 and penalty of Rs.90. The declarant files an appeal against this order. The amount of duty which is being disputed is Rs.900 and hence tax dues are Rs.900.

Illustration 3: The show cause notice to a declarant was for an amount of duty Rs.1000 and an amount of penalty of Rs.100. The order was for an amount of duty of Rs.900 and penalty of Rs.90. The declarant files an appeal against this order of determination. The departmental appeal is for an amount of duty of Rs. 100 and penalty of Rs. 10. The amount of duty which is being disputed is Rs.900 plus Rs.100 i.e Rs.1000 and hence tax dues are Rs.1000.

Illustration 4: The show cause notice to a declarant was for an amount of duty of Rs. 1000. The order was for an amount of duty of Rs. 1000. The declarant files an appeal against this order of determination. The first appellate authority reduced the amount of duty to Rs. 900. The declarant files a second appeal. The amount of duty which is being disputed is Rs. 900 and hence tax dues are 900:

- (b) where a show cause notice under any of the indirect tax enactment has been received by the declarant on or before the 30th day of June, 2019, then, the amount of duty stated to be payable by the declarant in the said notice:

Provided that if the said notice has been issued to the declarant and other persons making them jointly and severally liable for an amount, then, the amount indicated in the said notice as jointly and severally payable shall be taken to be the amount of duty payable by the declarant;

- (c) where an enquiry or investigation or audit is pending against the declarant, the amount of duty payable under any of the indirect tax enactment which has been quantified on or before the 30th day of June, 2019.
- (d) where the amount has been voluntarily disclosed by the declarant, then, the total amount of duty stated in the declaration
- (e) where an amount in arrears relating to the declarant is due, the amount in arrears.

124. Relief available under Scheme

- (1) Subject to the conditions specified in sub-section (2), the relief available to a declarant under this scheme shall be calculated as follows:-

- (a) where the tax dues are relatable to a show cause notice or one or more appeals arising out of such notice which is pending as on the 30th day of June, 2019, and if the amount of duty is,-
- (i) rupees fifty lakhs or less, then, seventy percent of the tax dues;

- (ii) more than rupees fifty lakhs , then, fifty per cent of the tax dues;
 - (b) where the tax dues are relatable to a show cause notice for late fee or penalty only, and the amount of duty in the said notice has been paid or is nil, then, the entire amount of late fee or penalty;
 - (c) where the tax dues are relatable to an amount in arrears and,-
 - (i) The amount of duty is, rupees fifty lakhs or less, then, sixty percent of tax dues;
 - (ii) The amount of duty is more than rupees fifty lakhs, then, forty percent, of the tax dues;
 - (iii) In are turn under the indirect tax enactment, where in the declarants has indicated an amount of duty as payable but not paid it and the duty amount indicate is,-
 - (A) Rupees fifty lakhs or less, then, sixty percent of the tax dues;
 - (B) Amount indicate is more than rupees fifty lakhs , then, forty percent, of the tax dues;
 - (d) where the tax dues are linked to an enquiry , investigation or audit against the declarant and the amount quantified on or before the 30th day of June, 2019 is-
 - (i) rupees fifty lakhs or less , then, seventy percent of the tax dues;
 - (ii) more than rupees fifty lakhs, then, fifty percent of the tax dues;
 - (e) where the tax dues are payable on account of a voluntary disclosure by the declarant, then, no relief shall be available with respect to tax dues.
- (2) The relief calculated under sub-section(1) shall be subject to the condition that any amount paid as predeposit at any stage of appellate proceedings under the indirect tax enactment or as deposit during enquiry, investigation or audit, shall be deducted when issuing the statement indicating the amount payable by the declarant:
- Provided that if the amount of predeposit or deposit already paid by the declarant exceeds the amount payable by the declarant , as indicated in the statement issued by the designated committee, the declarant shall not be entitled to any refund.

125. Declaration under Scheme

- (1) All persons shall be eligible to make a declaration under this scheme except the following, namely :-
 - (a) who have filed an appeal before the appellate forum and such appeal has been heard finally on or before the 30th day of june, 2019;

- (b) who have been convicted for any offense punishable under any provision of the indirect tax enactment for the matter for which he intends to file a declaration;
- (c) who have been issued a show cause notice, under indirect tax enactment and the final hearing has taken place on or before the 30th day of June, 2019;
- (d) who have been issued a show cause notice under indirect tax enactment for an erroneous refund or refund;
- (e) who have been subjected to an enquiry or investigation or audit and the amount of duty involved in the said enquiry or investigation or audit has not been quantified on or before the 30th day of June, 2019;
- (f) a person making a voluntary disclosure,-
 - (i) after being subjected to any enquiry or investigation or audit; or
 - (ii) having filed a return under the indirect tax enactment, wherein he has indicated amount of duty as payable, but has not paid it;
- (g) who have filed an application in the Settlement Commission for settlement of a case;
- (h) persons seeking to make declaration with respect to excisable goods set forth in the Fourth Schedule to the Central Excise Act, 1944.

- (2) A declaration sub-section (1) shall be made in such electronic form as maybe prescribed.

126. Verification of declaration by designated committee

- (1) the designated committee shall verify the correctness of the declaration made by the declarant under section 125 in such manner as may be prescribed:

Provided that no such verification shall be made in case where a voluntary disclosure of an amount of duty has been made by the declarant.

- (2) The composition and functioning of the designated committee shall be such as may be prescribed.

127. Issue of statement by designated committee

- (1) where the amount estimated to be payable by the declarant, as estimated by the designated committee, equals the amount declared by the declarant, then, the designated committee shall issue in electronic form, a statement, indicating the amount payable by the declarant, within a period of sixty days from the date of receipt of the said declaration.

- (2) where the amount estimated to be payable by the declarant, as estimated by the designated committee, exceeds the amount declared by the declarant, then, the designated committee shall issue in electronic form, an estimate of the amount payable by the declarant within thirty days of the date of receipt of the declaration.
- (3) After the issue of the estimate under sub-section (2), the designated committee shall give an opportunity of being heard to the declarant, if he so desires, before issuing the statement indicating the amount payable by the declarant:

Provided that on sufficient cause being shown by the declarant, only one adjournment may be granted by the designated committee..

- (4) After hearing the declarant, a statement in electronic form indicating the amount payable by the declarant, shall be issued within a period of sixty days from the date of receipt the declaration.
- (5) The declarant shall pay electronically through internet banking, the amount payable as indicated in the statement issued by the designated committee, within a period of thirty days from the date of issue of such statement.
- (6) Where the declarant has filed an appeal or reference or a reply to show cause notice against any order or notice giving rise to the tax dues, before the appellate forum, other than the Supreme Court or the High Court, the, notwithstanding anything contained in any other provision of any law for the time being in force, such appeal or reference or reply shall be deemed to have been withdrawn.
- (7) Where the declarant has filed a writ petition or appeal or reference before any High Court or the Supreme Court against any order in respect of the tax dues, the declarant shall file an application before such High Court or the supreme court for withdrawing such writ petition, appeal or reference and after withdrawal of such writ petition, appeal or reference with the leave of the Court, he shall furnish proof of such withdrawal to the designated committee, in such manner as maybe prescribed, along with the proof of payment referred to in sub-section(5).
- (8) On payment of the amount indicated in the statement of the designated committee and production of proof of withdrawal of appeal, wherever applicable, the designated committee shall issue discharge certificate in electronic form, within thirty days of the said payment and production of proof.

128. Rectifications of errors

Within thirty days of the date of issue of a statement indicating the amount payable by the declarant, the designated committee may modify its order only to correct an arithmetical error or clerical error, which is apparent on the face of record, on such error being pointed out by the declarant or suomotu, by the designated committee.

129. Issue of discharge certificate to be conclusive of matter and time period

- (1) every discharge certificate issued under section 126 with respect to the amount payable under this Scheme shall be conclusive as to the matter and time period stated therein, and-
 - (a) the declarant shall not be liable to pay any further duty, interest, or penalty with respect to the matter and time period covered in the declaration;
 - (b) the declarant shall not be liable to be prosecuted under the indirect tax enactment with respect to the matter and time period covered in the declaration;
 - (c) No matter and time period covered by such declaration shall be reopened in any other proceeding under the indirect tax enactment.
- (2) Not with standing anything contained in sub-section (1)-
 - (a) no person being a party in appeal , application , revision or reference shall contend that the central excise officer has acquiesced in the decision on the disputed issue by issuing discharge certificate under this scheme;
 - (b) the issue of the discharge certificate with respect to a matter for a time period shall not preclude the issue of a show cause notice,-
 - (i) for the same matter for a subsequent time period
 - (ii) for a different matter for the same time period ;
 - (c) in a case of voluntary disclosure where any material particular furnished in the declaration is subsequently found to be false, within a period of one year of issue of the discharge , it shall be presumed as if declaration was never made and proceedings under the applicable indirect tax enactment shall be instiuted.

130. Restrictions of Scheme

- (1) Any amount paid under this scheme,-
 - (a) Shall not be paid through the input tax credit account under this indirect tax enactment or any other Act;
 - (b) Shall not be refundable under any circumstances;
 - (c) Shall not , under the indirect tax enactment or under any other Act,-
 - (i) Be taken as input tax credit; or
 - (ii) entitle any person on to take input tax credit, as are cipient, of the excisable Goods or taxable services, with respect to the matter and time period covered in the declaration.
- (2) In case any pre deposit or other deposit already paid exceeds the amount payable as indicated in the statement of the designated committee, the difference shall not bere funded.

131. Removal of doubts

For the removal of doubts, it is hereby declared that, save as otherwise expressly provided in sub-section (1) of section 124, nothing contained in this Scheme shall be construed as conferring any benefit, concession or immunity on the declarant in any proceeding other than those in relation to the matter and time period to which the declaration has been made.

132. Power to make rules

- (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Scheme.
- (2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:-
 - (a) the form in which a declaration may be made and the manner in which such declaration may be verified;
 - (b) the manner of constitution of the designated committee and its rules of procedure and functioning;
 - (c) the form and manner of estimation of amount payable by the declarant and the procedure relating thereto;
 - (d) the form and manner of making the payment by the declarant and the intimation regarding the withdrawal of appeal;
 - (e) the form and manner of the discharge certificate which may be granted to the declarant;
 - (f) the manner in which the instructions may be issued and published;
 - (g) any other matter which is to be, prescribed, or may be prescribed, or in respect of which provision is to be made, by rules.
- (3) The Central Government shall cause every rule made under this Scheme to be laid, as soon as may be after it is made, before the expiry of the session immediately following the session or the successive session aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be: so, however, that any such modification or annulments shall be without prejudice to the validity of anything previously done under that rule.

133. Power to issue orders, instructions etc.

- (1) The Central board of indirect taxes and customs may, from time to time, issue such orders, instructions and directions to the authorities, as it may deem fit, for the proper administration of this Scheme shall observe and follow such orders, instructions and directions:

Provide that no such orders, instructions or directions shall be issued so as to require any designated authority to dispose of a particular case in a particular manner.

- (2) Without prejudice to the generality of the foregoing power, the Central Board of Indirect Taxes and Customs may, if it considered necessary or expedient so to do, for the purpose of proper and efficient administration of the Scheme and the collection of revenue, issue, from time to time, general or special orders in respect of any class of cases, setting forth directions or instructions as to the guidelines, principles or procedures to be followed by the authorities in the work relating to administrations of the Scheme and collection of Revenue and any such order may, if the said Board is of opinion that it is necessary in the public interest so to do, be published in the prescribed manner.

134. Removal of difficulties

- (1) If any difficulty arise in giving effect to the provisions of this Scheme, the Central Government may, by order, not inconsistent with the provisions of this Scheme, remove the difficulty:

Provide that no such order shall be made after the expiry of a period of two years from the date on which the provisions of this Scheme come into force.

- (2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

135. Protection to officers

- (1) No suit, prosecution or other legal proceeding shall lie against the Central Government or any officers of the Central Government for anything which is done , oriented to be done in good faith , in pursuance of this Scheme or any rule made there under.
- (2) No proceeding ,other than a suit shall become commenced against the Central Government or any officer of the Central Government for any thing done or purported to have been done in pursuance of this Scheme, or any rule made there under, without giving the Central Government or such officer a prior notice of not less than one month in writing of the intended proceeding and of the cause there of, or after the expiration of three months from the accrual of such cause.
- (3) No proceeding shall be commenced against any officer only on the ground of subsequent detection of an error in calculating the amount of duty payable by the declarant, unless there is evidence of misconduct.

10.2. Sabka Vishwas (LDR) Scheme Rules, 2019

[Published vide Notification No. 05/2019 Central Excise-NT dated, 21st August, 2019]

1. Short title and commencement.

- (1) These rules may be called the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019.
- (2) They shall come into force on the 1st day of September, 2019.

2. Definitions.

In these rules, unless the context otherwise requires,-

- (a) "Scheme" means the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019, specified under Chapter V of the Finance (No.2) Act, 2019 (23 of 2019);
- (b) "section" means the section of the Finance (No. 2) Act, 2019;
- (c) "Form" means the Form annexed to these rules;
- (d) Words and expressions used in these rules but not defined in these rules and defined in the Scheme shall have the meanings respectively assigned to them in the Scheme.

3. Form of declaration under section 125 .-

- (1) The declaration under section 125 shall be made electronically at <https://cbic-gst.gov.in> in Form SVLDRS-1 by the declarant ,on or before the 31st December, 2019.
- (2) A separate declaration shall be filed for each case.

Explanation.-For the purpose of this rule, a "case" means –

- (a) a show cause notice, or one or more appeal arising out of such notice which is pending as on the 30th day of June, 2019; or
- (b) an amount in arrears; or
- (c) an enquiry or investigation or audit where the amount is quantified on or before the 30th day of June, 2019; or
- (d) a voluntary disclosure.

4. Auto acknowledgement.

On receipt of declaration, an auto acknowledgement bearing a unique reference number shall be generated by the system.

5. Constitution of designated committee.

- (1) The designated committee under section 126 shall consist of-
 - (a) the Principal Commissioner or Commissioner of Central Excise and Service Tax, as the case may be, and the Additional

Commissioner or Joint Commissioner of Central Excise and Service Tax, as the case may be, in a case where the tax dues are more than rupees fifty lakh:

Provided that there shall be only one such designated committee in a Commissionerate of Central Excise and ServiceTax;

- (b) the Additional Commissioner or Joint Commissioner of Central Excise and ServiceTax, as the case may be, and the Deputy Commissioner or Assistant Commissioner of Central Excise and Service Tax, as the case may be, in a case where the tax dues are rupees fifty lakh or less:

Provided that there will only be one such designated committee in a Commissionerate of Central Excise and Service Tax;

- (c) the Principal Additional Director General (Adjudication) or Additional Director General (Adjudication), Directorate General of Good and Services Tax Intelligence (DGGI), and Additional Director or Joint Director, Directorate General of Good and Services Tax Intelligence(DGGI),Delhi.

- (2) The members of the designated committee mentioned in clause (a) and (b) of sub-rule (1) shall be nominated by the Principal Chief Commissioner or Chief Commissioner of Central Excise and Service Tax, as the case maybe.
- (3) Themembersofthedesignatedcommitteementionedinclause(c)ofsub-rule (1) shall be nominated by Pr. Director General or Director General, Directorate General of Good and Services Tax Intelligence (DGGI), as the case maybe.

6. Verification by designated committee and issue of estimate, etc.

- (1) The declaration made under section 125, except when it relates to a case of voluntary disclosure of an amount of duty, shall be verified by the designated committee based on the particulars furnished by the declarant as well as the records available with the Department.
- (2) The statement under sub-sections (1) and (4) of section 127, as the case may be, shall be issued by the designated committee electronically, within a period of sixty days from the date of receipt of the declaration under sub-rule (1) of rule 3, in Form SVLDRS-3 setting forth therein the particulars of the amountpayable:

Provided that no such statement shall be issued in a case where the amount payable, as determined by the designated committee is nil and there is no appeal pending in a High Court or the Supreme Court.

- (3) Where the amount estimated to be payable by the declarant exceeds the amount declared by the declarant, then, the designated committee shall issue electronically, within thirty days of the date of receipt of the declaration under sub-rule (1) of rule 3, in Form SVLDRS-2, an estimate of the amount payable by the declarant along with a notice of opportunity for personal hearing.
- (4) If the declarant wants to indicate agreement or disagreement with the estimate referred to in sub-rule (3) or wants to make written submissions or waive personal hearing or seek an adjournment, he shall file electronically Form SVLDRS-2A indicating the same:

Provided that if no such agreement or disagreement is indicated till the date of personal hearing and the declarant does not appear before the designated committee for personal hearing, the committee shall decide the matter based on available records.

- (5) On receipt of a request for an adjournment under sub-rule (4), the designated committee may grant the same electronically in Form SVLDRS-2B:

Provided if the declarant does not appear before the designated committee for personal hearing after adjournment, the committee shall decide the matter based on available records.

- (6) Within thirty days of the date of issue of Form SVLDRS-3, the designated committee may modify its order only to correct an arithmetical error or clerical error, which is apparent on the face of record, on such error being pointed out by the declarant or suomoto by issuing electronically a revised FormSVLDRS-3.

7. Form and manner of making the payment.-

Every declarant shall pay electronically the amount, as indicated in Form SVLDRS-3 issued by the designated committee, within a period of thirty days from the date of its issue.

8. Proof of withdrawal of appeal from High Court or Supreme Court.-

Proof of withdrawal of appeal or writ petition or reference before a High Court or the Supreme Court, as the case may be, under sub-section (7) of section 127 shall be furnished electronically by the declarant.

9. Issue of discharge certificate.-

The designated committee on being satisfied that the declarant has paid in full the amount as determined by it and indicated in Form SVLDRS-3, and on submission of proof of withdrawal of appeal or writ petition or reference referred to in rule 8, if any, shall issue electronically in Form SVLDRS-4 a discharge certificate under sub-section (8) of section 127 within thirty days of the said payment and

submission of the said proof, whichever is later:

Provided that in a case where Form SVLDRS-3 has not been issued by the designated committee by virtue of the *proviso* to sub-rule (2) of rule 6, the discharge certificate shall be issued within thirty days of the filing of declaration referred to in sub-rule (1) of rule 3.

Form SVLDRS-1

[Declaration under section 125 of the Finance Act (No. 2), 2019 read with rule 3 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019]

Form SVLDRS-2

[Estimate under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019 to be issued by the Designated Committee]

Form SVLDRS-2A

[Written submissions, waiver of personal hearing and adjournment under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019]

Form SVLDRS-2B

[Intimation of personal hearing after adjournment under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019]

Form SVLDRS-3

[Statement under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019 to be issued by the Designated Committee]

FORM SVLDRS-4

[Discharge Certificate for Full and Final Settlement of Tax Dues under section 127 of the Finance (No. 2) Act, 2019 read with rule 9 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019]

10.3. Circular No. 1071/4/2019-CX.8 dated 27th August, 2019

Dear Madam/Sir,

I am directed to state that the Government has announced the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 as a part of the recent Union Budget. Further, in accordance with the Finance (No.2) Act, 2019, the Central Government has notified the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019 as well as issued Notification No. 04/2019 Central Excise-NT dated 21.08.2019 to operationalize this Scheme from 01.09.2019 to 31.12.2019.

2. As may be appreciated, this Scheme is a bold endeavor to unload the baggage relating to the legacy taxes viz. Central Excise and Service Tax that have been subsumed under GST and allow business to make a new beginning, and focus on GST. Therefore, it is incumbent upon all officers and staff of CBIC to partner with the trade and industry to make this Scheme a grand success.

Dispute resolution and amnesty are the two components of this Scheme. The dispute resolution component is aimed at liquidating the legacy cases locked up in litigation at various forums whereas the amnesty component gives an opportunity to those who have failed to correctly discharge their tax liability to pay the tax dues. As may be seen, this Scheme offers substantial relief to the taxpayers and others who may potentially avail it. Moreover, the Scheme also focuses on the small taxpayers as would be evident from the fact that the extent of relief provided is higher in respect of cases involving lesser duty (smaller taxpayers can generally be expected to face disputes involving relatively lower duty amounts).

3. The relief extended under this Scheme is summed up, as follows:
 - (a) For all the cases pending in adjudication or appeal (at any forum), the relief is to the extent of 70% of the duty involved if it is Rs. 50 lakhs or less and 50% if it is more than Rs. 50 lakhs. The same relief is available for cases under investigation and audit where the duty involved is quantified and communicated to the party or admitted by him in a statement on or before 30.06.2019.

- (b) In cases of confirmed duty demand, where there is no appeal pending, the relief offered is 60% of the confirmed duty amount if the same is Rs. 50 lakhs or less and it is 40% if the confirmed duty amount is more than Rs. 50 lakhs.
- (c) In cases of voluntary disclosure of duty not paid, the full amount of disclosed duty would have to be paid.
- (d) There will be full waiver of interest and penalty under all the categories of cases, as at (a) to (c) above.

4. The relief under this Scheme is illustrated, as follows:

- (vii) If the amount of duty (including CENVAT credit) being litigated is Rs.50 lakhs, then the taxpayer only needs to pay only Rs.15 lakhs to settle his case.
- (viii) If the amount of duty(including CENVAT credit) being litigated is Rs. 1 crore, then the taxpayer only needs to pay only Rs. 50 lakhs to settle his case.
- (ix) If the amount of duty being litigated is either because the show cause notice was only for penalty or because the duty was deposited at any subsequent stage, and only penalty is being contested, then the taxpayer does not need to deposit anything to settle his case. However, the taxpayer would have to make a declaration under this Scheme.
- (x) If the duty (including CENVAT credit) involved during investigation or audit is Rs. 50 lakhs, then the taxpayer only needs to pay Rs.15 lakhs to settle his case.
- (xi) If the amount in arrears is Rs.50 lakhs, then the taxpayer only needs to pay only Rs. 20 lakhs to settle his case.
- (xii) If the taxpayer makes a voluntary disclosure of Rs. 1 crore, then he will need to pay Rs. 1 crore to settle his case.

7. It may be appreciated that the ambit of this Scheme is wide enough to cover all kinds of pending disputes, including call book cases, except for a few categories. The exclusions are firstly, cases in respect of goods that are still subject to levy of Central Excise such as specified petroleum products and tobacco i.e. goods falling in the Fourth Schedule to the Central Excise Act, 1944. Secondly, cases for which the taxpayer/noticee has already been convicted in a Court of law. Thirdly, cases under adjudication or litigation where the final hearing has taken place on or before 30.06.2019. Fourthly, cases of

erroneous refunds. Lastly, cases which are pending before the Settlement Commission.

8. Some of the highlights of this Scheme are that it will be fully automated with a dedicated portal (www.cbic-gst.gov.in) for online filing of declaration and communication of final decision. DG (Systems) will shortly issue a user manual for the online facility being provided to implement this Scheme. This has been done with the objectives of ensuring transparency, speed and accountability in the decision making. There are also fixed timelines for the various processes involved which are to be strictly adhered to so that the entire process of filing of declaration to communication of Department's decision and to payment gets completed within 90 days. This is important as there is no scope for extension of the time period for the sub-processes or the complete process. It is also important to appreciate that while this Scheme indicates various timelines, it is in the common interest of both the taxpayer and the Department that any declaration made thereunder is expeditiously handled well before the indicated timelines. This should be an area of focus for the Designated Committees as well as the supervisory Principal Chief Commissioner/Chief Commissioner concerned.
9. Once the declarant produces the proof of payment and withdrawal of appeal in High Court and Supreme Court, if applicable, for in cases of lower forums the Scheme provides for deemed withdrawal of appeal, discharge certificate will be issued indicating a full and final closure of the proceedings in question for both the Department and the taxpayer. It merits mention that every discharge certificate shall be conclusive as to the matter and time period stated therein. The declarant shall be not be liable to pay any further duty, interest or penalty. No matter and time period covered under a discharge certificate shall be reopened in any other proceedings under the said indirect tax enactments. This entails a full waiver from prosecution as well. The only exception is in case of a taxpayer's voluntary disclosure of liability as there is no way to verify its correctness, so a provision is made to reopen such declaration within one year of issue of a discharge certificate, if subsequently any material particular is found to be false.

10. Moreover, the scope of discretion has been kept to the minimum by linking the relief under this Scheme to the duty amount which is already known to both the Department and the taxpayer in the form of a show cause notice/order of determination or a written communication. The calculation of relief itself will be automated. Even in case of voluntary disclosure, no verification will be carried out by the Department. Still in the eventuality the declarant seeks the opportunity of being heard, the decision would be taken only after giving him this opportunity.
11. Further, the following issues are clarified in the context of the various provisions of the Finance (No.2) Act, 2019 and Rules made thereunder:
 - (a) Section 129(2)(a) provides that no person being a party in appeal, application, revision or reference shall contend that by issuing a discharge certificate, Department has accepted the disputed position. Section 129(2)(b) further provides that issue of a discharge certificate does not prevent issuance of a show cause notice for the same matter for a subsequent period or for a different matter in the same period. It is clarified that similar position will apply in case of Department also. In other words, a declaration under this Scheme will not be a basis for assuming that the declarant has admitted the position, and no fresh show cause notice will be issued merely on that basis.
 - (b) Section 125(1)(d) mentions that the Scheme is not available to an applicant who has been issued a show cause notice relating to refund or erroneous refund. It has potential to lead to an interpretation that such persons will not be able to opt for the Scheme for any other dispute as well, since the restriction is on the person' in place of the case'. It is clarified that the exception from eligibility is for the cases and not the person'. In other words, if a person has been issued a show cause notice for a refund/erroneous refund and, at the same time, he also has other outstanding disputes which are covered under this Scheme, then, he will be eligible to file a declaration(s) for the other case(s). Same position will apply to persons covered under Sections 125(1)(a), (b), (c), (e) and (g).
 - (c) This Scheme provides for adjustment of any amount paid as pre-deposit during appellate proceedings or as deposit during enquiry,

investigation or audit [Sections 124(2) and 130(2) refer]. In certain matters, tax may have been paid by utilising the input credit, and the matter is under dispute. In such cases, the tax already paid through input credit shall be adjusted by the Designated Committee at the time of determination of the final amount payable under the Scheme.

- (d) With respect to penalty/late fee matters [Section 124(1)(b) refers], a doubt has been expressed that only show cause notices for late fee or penalty are covered under this Scheme as there is no mention of appellate proceedings. It is clarified that the provisions apply to any show cause notice for penalty/late fee, irrespective of the fact that it is under adjudication or appeal. Moreover, there can be a show cause notice that originally also involved a duty demand, and the amount of duty in the said notice became 'nil' whether on account of the fact that same has been paid under this Scheme or otherwise. Such cases are also covered under Section 124(1)(b).
- (e) In case of appeals, the applicant is ineligible to apply if the final hearing is concluded but the order is awaited as on 30.06.2019. The hearings in matters are typically rescheduled even after the final hearing due to new bench, change in officer or any other reason. It is clarified that this restriction will apply to only those cases, where the appellate forum has heard the matter finally as on 30.06.2019.
- (f) Section 125(g) excludes the cases where an application has been filed before the Settlement Commission for settlement. However, in many such cases, proceedings before the Commission may abate due to reasons such as rejection of the application by the Commission or due to order of the Commission not being passed within the prescribed time etc. It is clarified that all such cases which are outside the purview of the Settlement Commission shall be covered under the Scheme under the relevant category of adjudication or appeal or arrears as the case may be provided the eligibility is otherwise established under this Scheme. Further, any pending appeals, reference or writ petition filed against or any arrears emerging out of the orders of Settlement Commission are also eligible under the Scheme.
- (g) Cases under an enquiry, investigation or audit where the duty demand has been quantified on or before the 30th day of June,

2019 are eligible under the Scheme. Section 2(r) defines "quantified" as a written communication of the amount of duty payable under the indirect tax enactment. It is clarified that such written communication will include a letter intimating duty demand; or duty liability admitted by the person during enquiry, investigation or audit; or audit report etc.

- (h) Rule 3(2) of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019 provides that a separate declaration shall be filed for each case. Many a times a show cause notice covers multiple matters concerning duty liability. It is clarified that a declarant cannot opt to avail benefit of scheme in respect of selected matters. In other words, the declarant has to file a declaration for all the matters concerning duty liability covered under the show cause notice.
- (i) Section 124(1) (b) provides that where the tax dues are relatable to a show cause notice for late fee or penalty only. and the amount of duty in the said notice has been paid or is 'nil', then, the entire amount of late fee or penalty will be waived. This section, inter alia, covers cases of penal action against co-noticees. In case of a show cause notice demanding duty/tax from main taxpayer and proposing penal action against co-noticees, it is clarified that the co-noticees can't avail the benefits of the scheme till such time the duty demand is not settled. Once, the main-noticee discharges the duty demand, the co-noticees can apply under this Scheme. This will also cover cases where the main noticee has settled the matter before the Settlement Commission and paid the dues and in which co-noticees were not a party to the proceedings before the Settlement Commission.
- (j) Section 127(5) of the Scheme provides that the declarant shall pay the amount indicated in the Statement issued by the Designated Committee within a period of thirty days. If the declarant does not pay the amount within the stipulated time, due to any reason, the declaration will be treated as lapsed.
- (k) In respect of matters under investigation by DGGI, there may be cases where the duty quantified relates to more than one Commissionerate. In such cases, the Designated Committee of the Commissionerate involving the maximum amount of duty will decide the case. Further, in other cases of DGGI wherein the show cause notice that has been issued covers more than one

Commissionerate, a common adjudicator must be quickly appointed under intimation to the Chief Commissioner concerned and DG Systems so the Designated Committee of that Commissionerate can finalize this matter.

12. In order to make this Scheme a success, the following actions are required to be taken on priority:

- (i) It shall be ensured that the updated and complete records of the cases eligible under the Scheme are made available to the Designated Committees by 31.08.2019. It may be noted that except for voluntary disclosure, the information regarding eligible taxpayers is readily available with the field formations through show cause notices which are yet to be adjudicated, or cases which are pending at various appellate forums or the cases under investigation or audit where the duty demand has been quantified and communicated on or before 30.06.2019 or the cases of recoverable arrears.
- (ii) An intensive out-reach programme to create awareness among the trade and industry at large and the eligible taxpayers in particular needs to be carried out. In this direction it will also be desirable to communicate to the eligible taxpayers the benefits of this Scheme through a polite email or phone call or letter. For these purposes the publicity material prepared by DGTPS can be used. Also, registration details of such eligible taxpayers shall be conveyed to DG (Systems) so that periodic SMS can be sent to them, informing about this Scheme.
- (iii) Though this Scheme provides a period of sixty days for the Designated Committee to decide on a declaration filed by a taxpayer, a speedier disposal is expected by the Board. For instance, in cases of voluntary disclosure, no verification is necessitated which means that the declaration will be accepted as such. Hence, such cases must be finalized within 15 days of filing of the declaration. Similarly, as the duty amount is already known in the form of a show cause notice/order of determination or a written communication/or order in appeal or disputed amount in appeal, and the tax-relief will be calculated by the system automatically, where these particulars are found to be correct as per the declaration filed and the records available with the Department, such cases must also be finalized within 15 days of

filing of the declaration. These timelines must be strictly adhered to.

- (iv) There shall be two Designated Committees of two officers each in a Commissionerate to process the declarations received thereunder (for this purpose Audit Commissionerates are to be left out). The Designated Committees have been set up based on the amount of tax dues. For removal of doubts, it is, hereby, clarified that this duty demand is before applying the tax-relief. For example, if in a show cause notice the duty demanded is Rs. 60 lakhs, the same will fall under the purview of a Committee consisting of Principal Commissioner/Commissioner and Additional/Joint Commissioner even though the final duty payable after applying tax-relief will be less than Rs. 50 lakhs. Essentially, where the duty payable as determined by the Designated Committee comes out to be more or less than the amount declared by the taxpayer, there will no change in the composition of the Designated Committee. In other words, the same Designated Committee to which the declaration is automatically routed based on the amount mentioned therein will take a final decision in the matter. The members of the Committee will be nominated by jurisdictional Principal Chief Commissioner/Chief Commissioner and Principal Director General/ Director General, DGGI, as the case may be. It is expected that the Designated Committee will be prompt in decision making by consensus and the senior officer in the Committee will take a lead to ensure the same.
- (v) It shall be the responsibility of the Zonal Principal Chief Commissioners/Chief Commissioners and Principal Director General/ Director General, DGGI (in the case of DGGI, Delhi) to ensure the success of the Scheme. Apart from the reach-out programme outlined at (i) above, it also needs to be ensured that the members of the Designated Committee are properly trained and well versed with the Scheme and the software application. In this connection DG (NACIN) has been instructed to carry out suitable training.

12. The Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 has the potential to liquidate the huge outstanding litigation and free the taxpayers from the burden of litigation and investigation under the legacy

taxes. The administrative machinery of the Government will also be able to fully focus on helping the taxpayers in the smooth implementation of GST. Thus, the importance of making this Scheme a grand success cannot be overstated. The Principal Chief Commissioners/Principal Directors General/Chief Commissioners/Directors General and all officers and staff are instructed to familiarize themselves with this Scheme and actively ensure its smooth implementation.

10.4. Frequently Asked Questions

Q1. Who is eligible to file declaration under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019?

Ans. Any person falling under the following categories is eligible, subject to other conditions, to file a declaration under the Scheme:

- Who has a show cause notice (SCN) for demand of duty/tax or one or more pending appeals arising out of such notice where the final hearing has not taken place as on 30.06.2019.
- Who has been issued SCN for penalty and late fee only and where the final hearing has not taken place as on 30.06.2019.
- Who has recoverable arrears pending.
- Who has cases under investigation and audit where the duty/tax involved has been quantified and communicated to him or admitted by him in a statement on or before 30th June, 2019.
- Who wants to make a voluntary disclosure.

Q2. What are the statutes covered under the Scheme?

Ans. This Scheme is applicable to the following enactments, namely:—

The Central Excise Act, 1944 or the Central Excise Tariff Act, 1985 or Chapter V of the Finance Act, 1994 and the rules made thereunder;

The following Acts, namely:—

- The Agricultural Produce Cess Act, 1940;
- The Coffee Act, 1942;
- The Mica Mines Labour Welfare Fund Act, 1946;
- The Rubber Act, 1947;
- The Salt Cess Act, 1953;
- The Medicinal and Toilet Preparations (Excise Duties) Act, 1955;
- The Additional Duties of Excise (Goods of Special Importance) Act, 1957;
- The Mineral Products (Additional Duties of Excise and Customs) Act, 1958;
- The Sugar (Special Excise Duty) Act, 1959;
- The Textiles Committee Act, 1963;
- The Produce Cess Act, 1966;
- The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972;

- The Coal Mines (Conservation and Development) Act, 1974;
- The Oil Industry (Development) Act, 1974;
- The Tobacco Cess Act, 1975;
- The Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act, 1976;
- The Bidi Workers Welfare Cess Act, 1976;
- The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978;
- The Sugar Cess Act, 1982;
- The Jute Manufacturers Cess Act, 1983;
- The Agricultural and Processed Food Products Export Cess Act, 1985;
- The Spices Cess Act, 1986;
- The Finance Act, 2004;
- The Finance Act, 2007;
- The Finance Act, 2015;
- The Finance Act, 2016;

Any other Act, as the Central Government may, by notification in the Official Gazette, specify.

Q3. If an enquiry or investigation or audit has started but the tax dues have not been quantified whether the person is eligible to opt for the Scheme?

Ans. No. If an audit, enquiry or investigation has started, and the amount of duty/duty payable has not been quantified on or before 30th June, 2019, the person shall not be eligible to opt for the Scheme.

Q4. If a SCN covers multiple issues, whether the person can file an application under the Scheme for only few issues covered in the SCN?

Ans. No. A person cannot opt to avail benefit of the Scheme in respect of selected matters. He must file a declaration in respect of all the matters concerning duty/tax liability covered under the SCN.

Q5. What is the scope of duty/tax relief covered under section 124(1)(b) with respect to SCN for late fee and penalty only where the amount of duty/tax in the said notice has been paid or is nil?

Ans. The relief shall be of the entire amount of late fee or penalty.

Q6. I have filed an appeal before the appellate forum [Commissioner (Appeals) /CESTAT] and such appeal has been heard finally on or before the 30th day of June, 2019. Am I eligible for the Scheme?

Ans. No, you are not eligible in view of section 125(1)(a).

Q7. What is the scope under the Scheme when adjudication order determining the duty/tax liability is passed and received prior to 30.06.2019, but the appeal is filed on or after 01.07.2019?

Ans. Such a person shall not be eligible to file a declaration under the Scheme.

Q8. I have been convicted for an offence punishable under a provision of the indirect tax enactment. Am I eligible for the Scheme?

Ans. If the conviction is for the same matter and time period for which the declaration is proposed to be filed, then you are not eligible to avail the Scheme.

Q9. I have been issued a SCN and the final hearing has taken place on or before 30.06.2019. Am I eligible for the Scheme?

Ans. No, you are not eligible as per section 125(1)(c).

Q10. I have been issued a SCN for an erroneous refund or refund. Am I eligible for the Scheme?

Ans. No, as per section 125(1)(d) you are not eligible to make a declaration under the Scheme in respect of an SCN issued for an erroneous refund or refund.

Q11. I have been subjected to an enquiry or investigation or audit and the amount of duty/tax involved therein has not been quantified on or before 30.06. 2019. Am I eligible for the Scheme?

Ans. No, as per section 125(1)(e) you are not eligible to file a declaration in respect of such an enquiry or investigation or audit.

Q12. I have been subjected to an enquiry or investigation or audit under indirect tax enactment and I want to make a voluntary disclosure regarding the same. Am I eligible for the Scheme?

Ans. No, you are not eligible to make a declaration under the voluntary disclosure category as per section 125(1)(f)(i).

Q13. There is an apparent contradiction between the provisions of section 125(1)(f)(ii) and section 124(1)(c)(iii). Can you elaborate?

Ans. Section 125(1)(f)(ii) is an exception to voluntary disclosure category. In other words, a person having filed a return but has not deposited the duty/tax cannot make a voluntary disclosure in respect of the same since the liability already stands disclosed to the Department. On the other hand, section 124(1)(c)(iii) is a sub-set of the 'arrears' category, meaning thereby that in respect of such return a declaration can only be filed under the arrears category. As such, there is no contradiction between the two provisions.

Q14. I have filed an application in the Settlement Commission for settlement of the case. Am I eligible for the Scheme?

Ans. No, you are not eligible to file a declaration for a case which is still pending with the Settlement Commission.

Q15. I deal with the goods which are presently under Central Excise and are mentioned in the Fourth Schedule to the Central Excise Act, 1944. I want to make declarations with respect to these excisable goods. Am I eligible for the Scheme?

Ans. No, you are not eligible to avail the benefits under the Scheme.

Q16. How will I apply for the said Scheme?

Ans. All eligible persons are required to file an electronic declaration at the portal <https://cbic-gst.gov.in> in Form SVLDRS 1.

Q17. Will I get an acknowledgement for filing a declaration electronically?

Ans. Yes, on receipt of your declaration, an auto acknowledgement bearing a unique reference number will be generated by the system and sent to you. This unique number will be useful for all future references. The declaration will automatically be routed to the Designated Committee that will finalize your case.

Q18. How will I come to know about the final decision taken by the designated committee on my declaration?

Ans. Within sixty days of filing of a declaration, you will be informed electronically about the final decision taken in the matter.

Q19. What is the difference between 'Tax Dues' and 'Tax Relief'?

Ans. 'Tax Dues' is the total outstanding duty/tax demand. 'Tax Relief' is the concession the Scheme offers from the total outstanding duty demand.

Q20. A SCN has been issued to me for an amount of duty of Rs.1000 and an amount of penalty of Rs.100. In the Order in Original (OIO) the duty confirmed is of Rs.1000 and an amount of Rs.100 has been imposed as penalty. I have filed an appeal against this order before the Appellate Authority. What will be the tax dues for me?

Ans. The amount of duty which is being disputed is Rs.1000 and hence the tax dues will be Rs.1000.

Q21. A SCN has been issued to me for an amount of duty of Rs.1000 and an amount of penalty of Rs.100. In the OIO the duty confirmed is of Rs.900 and penalty imposed is Rs.90. I have filed an appeal against this order. The department has not filed any appeal in the matter. What would be the tax dues?

Ans. The amount of duty which is being disputed is Rs.900 and hence the tax dues are Rs.900.

Q22. A SCN has been issued for an amount of duty of Rs.1000 and an amount of penalty of Rs.100. In the OIO the duty confirmed is of Rs.900 and penalty imposed is Rs.90. I have filed an appeal against this order before the Appellate Authority. Further, Department has also filed an appeal before the Appellate Authority for an amount of duty of Rs.100 and penalty of Rs.10. What would be the tax dues?

Ans. The amount of duty which is being disputed is Rs.900 plus Rs.100 i.e. Rs.1000 and hence tax dues are Rs.1000.

Q23. A SCN has been issued for an amount of duty of Rs.1000. The Adjudicating Authority confirmed the duty of Rs.1000. I have filed an appeal against this order. The first appellate authority Commissioner Appeals/CESTAT reduced the amount of duty to Rs.900. I have filed a second appeal (before CESTAT/High Court. The department has not filed any appeal. What will be the tax dues for me?

Ans. The amount of duty which is being disputed is Rs.900 and hence the tax dues are Rs.900.

Q24. I have been issued a SCN under any of the indirect tax enactment on or before 30.06.2019, what will be the tax dues?

Ans. As per section 123(b), the tax dues will be the amount of duty/tax/cess stated to be payable in the SCN.

Q25. What is the coverage of SCNs under the Scheme with respect to main noticee vis-à-vis co-noticee particularly when the tax amount has already been paid by the main notices outside the Scheme?

Ans. In case of a SCN issued to an assessee demanding duty/tax and also proposing penal action against him as well as separate penal action against the co-noticee/s specified therein, if the main noticee has settled the tax dues, the co-noticee/s can opt for the Scheme for the waiver of penalty. For instance, the main noticee has settled the matter before the Settlement Commission and paid the dues and the co-noticees were not a party to the proceedings. In such a case, the co-noticees can file a declaration under the Scheme.

Q26. What is the scope of coverage of periodical SCNs under the Scheme?

Ans. Any SCN issued whether main or periodical, where the final hearing has not taken place on or before 30.06.2019 is eligible under the Scheme.

Q27. What are the benefits available under the Scheme?

Ans. The various benefits available under the Scheme are:

- Total waiver of interest and penalty
- Immunity from prosecution
- In cases pending in adjudication or appeal, a relief of 70% from the duty/tax demand if it is Rs. 50 lakhs or less and of 50%, if it is more than Rs. 50 lakhs. The same relief is available for cases under enquiry, investigation and audit where the duty involved is quantified on or before 30.06.2019.
- In case of an amount in arrears, the relief is 60% of the confirmed duty/tax amount if the same is Rs. 50 lakhs or less and it is 40% in other cases.
- In cases of voluntary disclosure, the declarant will have to pay full amount of disclosed duty/tax.

Q28. Shall the pre-deposit paid at any stage of appellate proceedings and deposit paid during enquiry, investigation or audit be taken into account for calculating relief under the Scheme?

Ans. Yes, any amount paid as pre-deposit at any stage of appellate proceedings under the indirect tax enactment or as deposit during enquiry, investigation or audit, shall be adjusted while issuing the statement indicating the amount payable by the declarant.

Q29. Whether the declarant will be given an opportunity of being heard or not?

Ans. Yes, as per section 127(2) and (3), after the issue of the estimate, the Designated Committee shall give an opportunity of being heard to the declarant, if he so desires, in case of a disagreement.

Q30. What will be procedure and time period of payment to be made by the declarant?

Ans. The declarant shall pay electronically within 30 days of the statement issued by the Designated Committee, the amount payable as indicated therein.

Q31. What procedure will be followed for withdrawal of appeals where the person has filed a declaration under the Scheme?

Ans. Where the declarant has filed an appeal or reference against any order or notice giving rise to the tax dues, before the appellate forum, other than the Supreme Court or the High Court, then, such appeal or reference or reply shall be deemed to have been withdrawn.

In case of a writ petition or appeal or reference before any High Court or the Supreme Court, the declarant shall file an application before such High Court or the Supreme Court for withdrawing the writ petition, appeal or reference and after its withdrawal with the leave of the Court, he shall furnish proof of such withdrawal to the Designated Committee.

Q32. Whether any certificate will be provided to declarant as proof to payment of dues?

Ans. Yes, on payment of the amount indicated in the statement and production of proof of withdrawal of appeal, wherever applicable, the Designated Committee shall issue a discharge certificate in electronic form, within 30 days of the said payment and production of proof, whichever is later.

Q33. Whether a calculation error in statement may be rectified or not?

Ans. Yes, within 30 days of the date of issue of a statement indicating the amount payable by the declarant, the Designated Committee may modify its order only to correct an arithmetical error or clerical error, which is apparent on the face of record, on such error being pointed out by the declarant or suo-motu.

Q34. What will be the benefits of discharge certificate issued under the Scheme?

Ans. Every discharge certificate issued under section 127 with respect to the amount payable under the Scheme shall be conclusive as to the matter and time period stated therein, and:

- the declarant shall not be liable to pay any further duty/tax, interest, or penalty with respect to the matter and time period covered in the declaration;
- the declarant shall not be liable to be prosecuted under the indirect tax enactment with respect to the matter and time period covered in the declaration; and
- no matter and time period covered by such declaration shall be reopened in any other proceeding under the indirect tax enactment.

Q35. Can I take input tax credit for any amount paid under the Scheme?

Ans. No.

Q36. Can I pay any amount under the Scheme through the input tax credit account under the indirect tax enactment or any other Act?

Ans. No.

Q37. Can I take a refund of an amount deposited under the Scheme?

Ans. No.

Q38. In cases where pre-deposit or other deposit already paid exceeds the amount payable as indicated in the statement of the designated committee, the difference shall be refunded or not?

Ans. No, it shall not be refunded.

Q39. Is there any benefit, concession or immunity for the declarant in any proceedings other than those in relation to the matter and time period to which the declaration has been made?

Ans. No.

Q40. Whether the discharge certificate under the Scheme would serve as immunity against issuance of any further SCN (i) for the same matter for a subsequent time period; or (ii) for a different matter for the same time period?

Ans. No, as per section 129 (2)(b), the issue of the discharge certificate with respect to a matter for a time period shall not preclude the issue of a SCN,

- (i) for the same matter for a subsequent time period; or
- (ii) for a different matter for the same time period.

Q41. What action would be taken against a declarant who makes false voluntary disclosure under the Scheme?

Ans. As per section 129(2)(c), in cases of voluntary disclosure, where any material particular furnished in the declaration is subsequently found to be false, within a period of one year of issue of the discharge certificate, it shall be presumed as if the declaration was never made and proceedings under the applicable indirect tax enactment shall be instituted.

Q42. Does intimation for audit received by the taxpayer prior to 30.06.2019 seeking details qualify for the Scheme?

Ans. No, if the duty/tax payable has not been quantified as on 30.06.2019 the taxpayer is not eligible to make a declaration regarding this audit under the Scheme.

Q43. I have received an intimation for audit, enquiry or investigation on or before 30.06.2019. Can I make a voluntary disclosure of my liability?

Ans. No.

Q44. Can taxpayer opt for the benefit under the Scheme in case of periodical notices without opting for it in respect of the main notice?

Ans. Yes.

Q45. If the main noticee avails benefit of the Scheme whether Directors whose appeals are pending in respect of penalty only get a waiver of the penalty?

Ans. Yes. Co-noticees cannot avail the benefits of the Scheme only till such time that the duty/tax demand has not been settled. Once the main noticee discharges the duty/tax demand, the co-noticees can apply under the Scheme.

Q46. If a person has been issued a SCN for a refund/ erroneous refund and, at the same time, he also has other outstanding disputes which are covered under this Scheme, then, will he be eligible to file a declaration(s) for the other case(s)?

Ans. Yes. The exception from eligibility is for 'the case' and not 'the person'.

Q47. If I file a declaration under the Scheme, will it be assumed that I have admitted to the position and agree with the allegations made in the show cause notice?

Ans. No. A declaration under the Scheme will not be a basis for assuming that the declarant has admitted the position and no fresh show cause notice will be issued merely on that basis.

Q48. With respect to penalty/late fee matters, whether only SCNs for late fee or penalty are covered under this Scheme or also such cases under appellate proceedings?

Ans. The Scheme is applicable to any SCN for penalty/late fee, irrespective of whether it is under adjudication or appeal.

Q49. I had made an application to the Settlement Commission for settlement of my case. However these proceedings abated due to rejection of the application by the Settlement Commission or other reason/s and the case went back to the adjudicating authority for further action. Can I avail the benefit of the Scheme with respect to this case?

Ans. Yes. A declaration under the Scheme can be made for a case which is no longer with the Settlement Commission if other conditions of the Scheme are satisfied.

Q50. I have filed a writ petition challenging the order of the Settlement Commission. Can I make a declaration under the Scheme with respect to this case?

Ans. Yes. A declaration can be filed under the Scheme if no application is pending before the Settlement Commission and the Writ Petition has not been heard finally on or before 30.06.2019.

Q51. With respect to cases under enquiry, investigation or audit what is meant by 'written communication' quantifying demand?

Ans. Written communication will include a letter intimating duty/tax demand or duty/tax liability admitted by the person during enquiry, investigation or audit or audit report etc.

Q52. I have already paid duty/tax by utilising the input credit, and the matter is under dispute. Will this duty/tax already paid through input credit be adjusted against my duty/tax liability calculated under the Scheme?

Ans. Yes. In such cases, duty/tax already paid through input credit shall be adjusted by the Designated Committee at the time of determination of final amount payable under the Scheme.

Q53. Which is the Form through which I can make a declaration under the Scheme?

Ans. Form SVLDRS1 is the form that has to be filled for making a declaration. The form is required to be filled and submitted electronically and shall be available at the portal <https://cbic-gst.gov.in>

Q54. I do not agree with the estimate of the Designated Committee. Will I be given a personal hearing?

Ans. Yes. A date of personal hearing is intimated alongwith the estimate issued by the Designated Committee in Form SVLDRS2. Written submissions can be made, personal hearing can be waived, and one adjournment of the personal hearing can also be sought through Form SVLDRS 2A. These forms are available at the portal <https://cbic-gst.gov.in> and are submitted electronically.

Q55. I have received a communication of the amount payable in Form SVLDRS3. How do I make the duty/tax payment?

Ans. A challan can be generated by a link provided in the Form SVLDRS3 issued by the department. Once the challan is generated, payment against the same can be made by the taxpayer.

Q56. How do I intimate the department about withdrawal of appeal by me?

Ans. Form SVLDRS3 provides a document upload facility for furnishing proof of withdrawal.

Q57. Are disputes pertaining to Cenvat credit covered under the Scheme?

Ans. Yes, they are included unless covered by a specific exclusion.

Q58. What happens if I do not make the payment of the amount specified in the statement within 30 days of its issue?

Ans. The declaration shall be treated as lapsed and benefits of the Scheme will no longer be available.

Q59. The amount quantified under an enquiry, investigation or audit on or before 30.06.2019 gets modified subsequently due to any reason. Will I still be eligible to file a declaration under the Scheme?

Ans. Only such cases of enquiry, investigation or audit are covered under the Scheme where the duty/tax demand has been worked out on or before 30.06.2019 but SCN has not been issued.

Q.60. The duty demand in an SCN issued to me was dropped by the adjudicating authority. However, the department has filed an appeal. I have not filed any appeal in the matter. Will this case be eligible under the Scheme.

Ans. Yes.

10.5. CBIC Press Release, Dated 16-8-2019

Objectives

- One time measure for liquidation of past disputes of Central Excise and Service Tax
- To provide an opportunity of voluntary disclosure to non-compliant taxpayers.

Cases covered under the Scheme

- A show cause notice or appeals arising out of a show cause notice pending as on the 30th day of June, 2019
- An amount in arrears
- An enquiry, investigation or audit where the amount is quantified on or before the 30th day of June, 2019
- A voluntary disclosure.

Exclusions from the Scheme

- Cases in respect of excisable goods set forth in the Fourth Schedule to the Central Excise Act, 1944 (this includes tobacco and specified petroleum products)
- Cases for which the taxpayer has been convicted under the Central Excise Act, 1944 or the Finance Act, 1944
- Cases involving erroneous refunds
- Cases pending before the Settlement Commission.

Benefits under the Scheme

- Total waiver of interest, penalty and fine
- Immunity from prosecution
- Cases pending in adjudication or appeal, a relief of 70% from the duty demand if it is Rs. 50 Lakh or less and 50% if it is more than Rs. 50 Lakh
- The same relief for cases under investigation and audit where the duty involved is quantified on or before 30th June, 2019
- In case of an amount in arrears, the relief offered is 60% of the confirmed duty amount if the same is Rs. 50 Lakh or less and it is 40% in other cases
- In cases of voluntary disclosure, the declarant will have to pay full amount of disclosed duty.

Other features of the Scheme

- Facility for adjustment of any deposits of duty already made
- Settlement dues to be paid in cash electronically only and cannot be availed as input tax credit later
- A full and final closure of the proceedings in question. The only exception is that in case of voluntary disclosure of liability, there is provision to reopen a false declaration within a period of one year
- Proceedings under the Scheme shall not treated as a precedent for past and future liabilities
- Final decision to be communicated within 60 days of application
- No final decision without an opportunity for personal hearing in case of any disagreement
- Proceedings under the Scheme will be fully automated.

3. Address of the declarant

[illegible]

4 Pin Code

--	--	--	--	--	--

5. Mobile Number

[illegible]

Email

7 PAN

8. Please answer Yes or No:

1.	Have you been convicted for an offence for the matter for which this declaration is being made? <i>(Note: If you answer YES to this question, you are ineligible to proceed further under the Scheme.)</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2.	Have you filed an application in the Settlement Commission for the case for which this declaration is being made? <i>(Note: If you answer YES to this question, you are ineligible to proceed further under the Scheme.)</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.	Are you seeking to make this declaration with respect to excisable goods set forth in the Fourth Schedule to the Central Excise Act, 1944 (specified petroleum and tobacco products)? <i>(Note: If you answer YES to this question, you are ineligible to proceed further under the Scheme.)</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.	Are you seeking to make this declaration with respect to a show cause notice of a fund/erroneous refund? <i>(Note: If you answer YES to this question, you are ineligible to proceed further under the Scheme.)</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
5.	Whether final hearing with regard to a matter in adjudication or appeal has taken place on or before 30.06.2019 for the matter for which this declaration is being made? <i>(Note: If you answer YES to this question, you are ineligible to proceed further under the LITIGATION category.)</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
6.	Have you been subjected to any audit under the Central Excise Act, 1944 or Chapter V of the Finance Act, 1994 in respect of the goods/services or both for which this declaration is being made? <i>(Note: If you answer YES to this question, you are ineligible to proceed further under the VOLUNTARY DISCLOSURE category.)</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.	Have you received any written communication from a Central Excise Officer with regard to any audit to be conducted? <i>(Note: If you answer YES to this question, you are ineligible to proceed further under the VOLUNTARY DISCLOSURE category.)</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
8.	Have you been subjected to any enquiry or investigation under the Central Excise Act, 1944 or Chapter V of the Finance Act, 1994 in respect of the goods/services or both for which this declaration is being made by way of any of the following: (a) search of premises (b) issuance of summons (c) requiring the production of accounts, documents or other evidence (d) recording of statements	Yes <input type="checkbox"/>	No <input type="checkbox"/>

[Note: If you answer YES to this question, you are ineligible to proceed further under the VOLUNTARY DISCLOSURE category.]			
9.	Have you filed any return for the period for which declaration is being made showing the amount of duty to be payable but not having paid it? [Note: If you answer YES to this question, you are ineligible to proceed further under the VOLUNTARY DISCLOSURE category.]	Yes <input type="checkbox"/>	No <input type="checkbox"/>
10.	Have the tax dues with regard to the matter under enquiry, investigation or audit NOT been quantified on or before 30.06.2019? [Note: If you answer YES to this question, you are ineligible to proceed further under the INVESTIGATION, ENQUIRY OR AUDIT category.]	Yes <input type="checkbox"/>	No <input type="checkbox"/>

9. Category of application

9.1 Litigation	9.1.1 SCN involving duty along with interest/late fee/penalty (if any) pending as on 30.06.2019 and final hearing not held before 30.06.2019		Whether the case is under adjudication by Pt. ADGA/DO (Adjudication, Duty)?				Yes <input type="checkbox"/>		No <input type="checkbox"/>					
	SCN No. & Date	Duty/Tax/Cess	Amount of Duty/Tax/Cess	Amount of Penalty	Amount of Late Fee	Amount of Deposit Made, if Any	Tax Dues less Tax Relief							
	A	B	C	D	E	F	G							
9.1.2 SCN involving penalty or late fee only pending as on 30.06.2019 and final hearing not held before 30.06.2019	SCN No. & Date		Amount of Penalty	Amount of Late Fee	Tax Dues less Tax Relief									
	A	B	C	D										
9.1.3 Appeal pending as on 30.06.2019, final hearing not held before 30.06.2019	Appeal No. and Date of Filing	Forum	O+A No. and date	Duty/Tax/Cess + Confirmed in the O+A or	Amount of Duty/Tax/Cess	Whether Department has Appeal is Pending in Relation to the O+A or	Duty/Tax/Cess And amount Under dispute	Total amount of duty under dispute	Total amt. of penalty	Total amt. of late fee	Amount of Pre-deposit or other deposit of duty	Tax Dues less Tax relief		
	A	A1	B	C	D	E	F	G	H	I	J	K		
							Declarant's Appeal		Departmental Appeal (Optional Field)					
							Duty/Tax/Cess	Am.	Duty/Tax/Cess	Am.				
9.2 ARBITRATION	9.2.1 Appeal not filed or appeal having attained finality		Order No. and Date of receipt	Forum	Duty/Tax/Cess Confirmed in the O+A or O+A	Amount of Duty/Tax/Cess	Amount of Penalty Imposed in the O+A or O+A	Amount of Late Fee Imposed in the O+A or O+A	Amount of Pre-deposit or Any Other Deposit of Duty	Tax Dues less Tax Relief				
	A	B	C	D	E	F	G	H						
9.2.2 Tax Dues declared in return as payable but not paid	Period for which return was filed		Date on which return was filed	Description of Goods/ Services	Duty/Tax/Cess declared as payable in the return but not paid	Amount declared as payable in the return but not paid	Tax Dues less Tax Relief							
	A	B	C	D	E	F								

S.I. for Dispute or Audit	S.I. Investigation by DEED	Date/Tax Case	Total Amount Quantified	Reference No. and Date of communication of Quantified Amount	Description of Disputed Services	Case Incurred	Amount Deposited	Tax Dues less Tax Relief
		A	B	C	D	E	F	G
	S.I. Investigation by Consolidated Income	Date/Tax Case	Total Amount Quantified	Reference No. and Date of communication of Quantified Amount	Description of Disputed Services	Case Incurred	Amount Deposited	Tax Dues less Tax Relief
		A	B	C	D	E	F	G
	S.I. A with	Date/Tax Case	Total Amount Quantified	Reference No. and Date of communication of Quantified Amount	Description of Disputed Services	Case Incurred	Amount Deposited	Tax Dues less Tax Relief
		A	B	C	D	E	F	G
S.I. VOLUNTARY DISBURSEMENT		Date/Tax Case	Total Amount	Disputed Incurred	Description of Disputed Services	Case Incurred	Tax Dues less Tax Relief	
		A	B	C	D	E	F	

10. Do you agree with the Tax Dues less Tax Relief calculated by the System?

Yes/No

11. If you do not agree, state the reasons for disagreement:

12. Amount of Tax Dues less Tax Relief as per your calculation:

VERIFICATION

I declare that I have read and understood the SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019, and agree to abide by the provisions and conditions of the Scheme, and that the information given in this declaration is correct and complete and the amount of tax dues and other particulars shown therein are truly stated.

I shall pay the amount as may be determined by the Designated Authority under the Scheme.

Name of declarant/ authorized representative filing this declaration:

Date:

dd/mm/2019

PREVIEW
SUBMIT

10.6.2. Form SVLDRS-2

[Estimate under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019 to be issued by the Designated Committee]

Declaration No.....
 SVLDRS-2 No.....
 Commissionerate/DGGI, Delhi.....
 Zone/DGGI, Delhi.....

Whereas Mr./Ms./M/s. (hereinafter referred to as the declarant) having registration no./Non assessee code no..... has filed a Declaration No..... datedunder section 125 of the Finance (No. 2) Act, 2019;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 127 of the Finance (No. 2) Act, 2019, the designated committee, after consideration of facts on record, hereby determines the following amount estimated to be payable by the declarant towards full and final settlement of his/her/their tax dues covered by the said declaration under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019:

Notice For Personal Hearing

If the Declarant does not agree with the Estimated Amount Payable, as determined by the designated committee, he is requested to appear for a Personal Hearing before the designated committee on

Category	Description of Goods/ Services	Matter involved	Time period	Tax dues		Tax relief	Pre-deposit or any other deposit of duty	Estimated Amount Payable	
A	B	C	D	E		F	G	H	
				Name*	Amount			Name*	Amt
				E1	E2			H1	H2
*Name of Duty/Tax/Cess									

...../...../2019 at AM/PM at(address) to explain the reasons thereof. Please submit Form SVLDRS 2A in case any other date and time of personal hearing is desired.

Members of the Designated Committee

1. Name: 2. Name:
 Designation: Designation:

(This is a computer generated print. There is no need for a signature)

Place.....
 Date.....

10.6.3. Form SVLDRS-3

[Statement under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019 to be issued by the Designated Committee]

Declaration No.....
SVLDRS-3 No.....
Commissionerate/DGGI, Delhi.....
Zone/DGGI, Delhi.....

Whereas Mr./Ms./M/s.(hereinafter referred to as the declarant) having registration no./Non assessee code no.....has filed a Declaration No..... datedunder section 125 of the Finance (No. 2) Act, 2019;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (4), as the case may be, of section 127 of the Finance (No. 2) Act, 2019, the designated committee, after consideration of relevant material, hereby determines the following amount is payable by the declarant towards full and final settlement of tax dues under(Central Excise Act, 1944 /Finance Act, 1994/Cess Act) covered by the said declaration under the Scheme:

Category	Description of Goods/ Services	Matter involved	Time period	Tax dues		Tax relief	Pre-deposit or any other deposit of duty	Estimated Amount Payable	
A	B	C	D	E		F	G	H	
				Name* E1	Amount E2			Name* H1	Amt H2

*Name of Duty/Tax/Cess

Notes:

- (3) The Declarant is hereby directed to make payment of the amount payable within thirty days from the date of this Statement.
- (4) The Declarant has to withdraw the writ petition/appeal/reference before(mention the name of the High Court) High Court or the Supreme Court against any order in respect of the tax dues and furnish the proof of such withdrawal in accordance with the provisions contained in sub-section (7) of section 127 of the Finance (No. 2) Act, 2019;

Members of the Designated Committee

1. Name:

Designation:

2. Name:

Designation:

(This is a computer generated print. There is no need for a signature)

Place.....

Date.....

For Declarant

Challan Link facility for duty payment

Document Upload facility for proof of withdrawal of case.....

Name of declarant/ authorized representative:

Date:

10.6.4. Form SVLDRS-4

[Discharge Certificate for Full and Final Settlement of Tax Dues under section 127 of the Finance (No. 2) Act, 2019 read with rule 9 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019]

Declaration No.....
SVLDRS-4 No.....
Commissionerate/DGCI, Delhi.....
Zone/DGCI, Delhi.....

Whereas.....(Name and address of the declarant) having registration number..... had made a declaration under Section 125 of the Finance (No. 2) Act, 2019;

And whereas the designated committee by issue of a statement dated under Section 127 of the Finance (No. 2) Act, 2019 determined the amount of Rs. (Rupees) payable by the declarant in accordance with the provisions of the Scheme towards full and final settlement of tax dues as per details given below:

Category	Description of Goods/ Services	Matter involved	Time period	Tax dues		Tax relief	Pre-deposit or any other deposit of duty	Estimated Amount Payable	
A	B	C	D	E		F	G	H	
				Name ^o E1	Amount E2			Name ^o H1	Amt H2

And whereas the declarant has paid Rs. (Rupees) being the amount payable determined by the designated committee under section 126 of the Finance (No. 2) Act, 2019;

And whereas the declarant had filed an appeal before the (mention the name of the Commissioner (Appeal) or the CESTAT (Branch name) against any order in respect of the tax dues and whereas the said appeal is deemed to be withdrawn in accordance with the provisions contained in sub-section (6) of section 127 of the Finance (No. 2) Act, 2019;

OR

And whereas the declarant had filed a writ petition/appeal/reference before(mention the name of the High Court) High Court or the Supreme Court against any order in respect of the tax dues and the declarant has withdrawn the said writ petition/appeal/reference and furnished proof of such withdrawal in accordance with the provisions contained in sub-section (7) of section 127 of the Finance (No. 2) Act, 2019;

Now, therefore, in exercise of the powers conferred by sub-section (8) of section 127 of the Finance (No. 2) Act, 2019, the designated committee hereby issues this Discharge Certificate to the said declarant:-

- (a) certifying the receipt of payment from the declarant towards full and final settlement of the tax dues determined in the Statement No.....dated.....in accordance with the Declaration no.....dated.....made by the aforesaid declarant;
- (b) discharging the declarant from the payment of any further duty, interest or penalty with respect to the aforesaid matter;
- (c) granting immunity, subject to the provisions contained in the Scheme, from instituting any proceeding for prosecution for any offence under the Central Excise Act 1944/ Chapter V of the Finance Act 1994/———— Cess Act —) or from the imposition of penalty under the said enactment, in respect of the aforesaid matter; and
- (d) The provisions of sections 129 and 131 of the Finance (No.2) Act 2019 will be applicable with respect to this Discharge Certificate.

Members of the Designated Committee

1. Name:

Designation:

2. Name:

Designation:

(This is a computer generated print. There is no need for a signature)

Place.....

Date.....

To

1. The Declarant

2. Adjudicating Officer

3. Commissioner of Central Excise, Service Tax and CGST (jurisdictional)

4. Chief Commissioner of Central Excise, Service Tax and CGST / Pr. Director General,
DGGI

5. Concerned Appellate Forum

NB: Delete whatever is not applicable.